# THE FINANCIAL POST

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## The Nation's Business

### The Missing Munitions Orders

Partly because the war has not been the sort of war that most people expected it to be, partly because Canada was scandalously unprepared when war broke out, due to official unwillingness to join with Britain in co-operative plans for manufacture of war supplies, scores of Canadian industrial firms are twiddling their thumbs, waiting for munitions business that has not yet come their way.

For two years or more British munitions plants have been piling up huge reserves of shells and munitions against the day of blitzkrieg. These plants are still turning out a tremendous volume of cannon fodder—so much more than is being used that the urge to place further orders in Canada has at present diminished.

For this and other reasons, early expectations of munitions business, running as high as $50 millions a month, have failed to materialize. Not even "educational" orders, which would permit Canadian industry to tool up its plants and get the "feel" of shell-making, have been placed in any recognizable quantity.

* * *

Canadian industrialists do not question the sincerity of those responsible for Britain's war effort. They have waited patiently ever since the advance guard of the British mission landed at Quebec just three months ago.

But as the days go past and nothing happens, they feel some explanation should be made either privately or publicly to clarify the mystery of the missing munitions business.

There is a growing feeling, also, that some action should be taken without further delay toward establishing "shadow plants" in Canada and toward speeding up the placing of educational orders, at the very least, in this country.

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There is little hope of Canada becoming an effective ally for this type of war material in under six months. In some lines of manufacture it may be as long as two years before machinery can be acquired and production lines start to run. The minimum time for producing Bren guns, it will be remembered, was 18 months.

Canadian industrialists would like to be given a chance of preparing their plants as potential arsenals of Empire. They feel also that some explanation is due as to why there has been little else but promises to bolster early hopes of making an important contribution to the Empire war effort.

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### Mr. Ralston Must Prune Ordinary Expenditures

The shift in Cabinet responsibilities which puts the War Supply Board under control of Hon. C. D. Howe instead of under Hon. J. L. Ralston is important for two reasons.

It frees Mr. Ralston for the exacting job of preparing estimates for the forthcoming session of Parliament.

It puts war purchasing in the hands of a minister who has aptitude and experience in handling large-scale business undertakings of this character.

As Transport Minister Mr. Howe has shown considerable organizing ability in the jobs he has tackled. His clean-up of the National Harbor Board situation, his vision and enthusiasm in organizing the Trans-Canada Air Lines, his efforts at transport control and his previous business experience bespeak qualifications of great usefulness in administering the purchase of war supplies.

Meanwhile Mr. Ralston will need all his time and energy to plan and prosecute a sound financial programme for Canada in 1940.

It will be hard enough to raise and administer the million dollars a day that Canada is currently spending on its war effort. It may be even harder to make a real impression on the $550 millions peacetime budget left to him by his predecessor in office, Mr. Dunning, and scarcely altered by Acting Minister of Finance Ilsley.

The traditional plea of all finance ministers in Canada is that these peacetime expenditures are largely "uncontrollable." Another excuse for unbridled public spending is that there are "sacred cows" which must not be touched.

Mr. Ralston need not allow either of these considerations to worry him in time of war.

This war is being fought on an equality of sacrifice basis. If Canadians are willing and anxious to make financial sacrifices to ensure victory, there should be equal willingness on the part of governmental departments and on the part of those whose demands on the public purse, if questionable in peacetime, are unconscionable in time of war.

Freed from the responsibility of the War Supply Board, Mr. Ralston has a unique opportunity to see that war moneys are wisely administered and spent and that the ordinary expenses of government are cut by at least 25% so as to ease the heavy burden of war finance.

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### The Enemy Behind the Enemy

"I do not believe that hatred of the German people is in any way necessary to produce our maximum

(Continued on page 2, col. 3)

# Plants in Canada To Aid U.K. Exports

## Urges British Firms Rely on Canada's Facilities to Maintain Trade

Canadian manufacturers should be utilized by British exporters to assure a steady supply of goods to their normal export markets, in the opinion of John E. Goodison, president of the John Goodison Thresher Co., Sarnia, Ont.

Briefly, his scheme would call for co-operation between British exporters and Canadian manufacturers who were fitted to supply goods which the British firms found difficulty in shipping on schedule. The sales connections of the British firms and the unused manufacturing facilities of many Canadian firms would be used to the advantage of both.

Mr. Goodison was a member of the group sent to England by the Canadian Manufacturers' Association last summer to explore the possibilities of obtaining a share of the British rearmament business for Canada. This plan which he now advances had its origin as a result of that visit, Mr. Goodison writes to The Financial Post.

### Negotiations Open

Recently he has sent a brief outlining his proposals to Sir James Rae, head of a British Mission to Canada, to the Department of Trade and Commerce at Ottawa and to the Canadian Manufacturers Association. The British Mission reported favorably on the scheme but stated they had no authority to take any definite steps. This was also the attitude of the Ottawa authorities.

Just recently the C.M.A. has acted on the suggestion and has appointed Mr. Goodison as head of a subcommittee to develop the scheme. Circulars are being sent out to all C.M.A. members and to interested parties in England.

The Financial Post has published articles advocating strong efforts on the part of Canadian manufacturers to maintain regular trade channels during the war. This would serve the twofold purpose of avoiding loss of markets during post-war days, when attention once again turns toward ordinary trade, and to keep up a supply of foreign exchange with which to pay for the imports which we must have. This idea extends such proposals to include British manufacturers.

### Details of Scheme

Mr. Goodison thus outlines his scheme:

"During the visit of the Canadian Manufacturers' Association mission to armament plants in England, one problem kept arising in varying degrees of intensity. That was the difficulty being experienced in securing raw material and producing goods for the ordinary peacetime export trade of Great Britain.

"With the emergency now upon us it is reasonable to suppose that this problem will become more acute. Other nations now neutral feel that they will secure complete control of many of the export markets which Great British now enjoys. This would mean not only loss of trade, loss of exchange during the present emergency, but extremely acute employment problems on the coming of peace.

"To meet this problem the natural solution is the manufacturing of these products in a base secure from air attack, properly equipped, and with a plentiful supply of raw material and skilled labor. Canadian industry meets all these require-

(Continued on page 2, col. 2)

# Newfoundland Raises Taxes

## Makes Indirect Financial Contribution to War Effort

As part of Newfoundland's contribution to the war effort of the Allies, the Newfoundland Commission of Government has announced increased taxes.

Newfoundland is not in a position to finance overseas expeditions and contributions of supplies, but every effort is being made to assist by reducing the drain of grants-in-aid on the British Treasury.

Tax increases announced by Hon. J. H. Penson, commissioner of finance, include a surtax equal to 20% of assessments on their present basis, in the case of the tax on individual incomes and on insurance companies and banks. In the case of profits of corporations and in the tax payable by landed estates and personal holding companies, a surtax of 25% is imposed. On estate duties a surtax of 10% is to be levied.

### Indirect Taxes Increased

Several changes in indirect taxes have also been announced. In the case of import duties only two changes have been made. First, the duty on gasoline has been increased three cents a gallon. Secondly, the duty on matches has been increased from 50 cents to $1 per gross.

Import duties on liquors are not being altered, but a tax of 10 cents a bottle and five cents a flask or half bottle is to be levied.

To the extent that the budget position is improved, grants-in-aid will be reduced. Rehabilitation of the island's economy is being financed by Great Britain. Deficits of the Commission of Government, after all costs including debt charges, are met by a grant-in-aid from Great Britain. The grant-in-aid for the current year was estimated by the budget at $5.7 millions.

## Highlights

**Effect of excess** war profits tax, both on industry as a whole and on a representative selection of individual companies, is comprehensively analyzed in a staff survey.

*War Profits Tax—p. 15.*

* * *

**How Canada has organized** for war effort in both military and the civil spheres, is strikingly spotlighted in an orderly charting of the numerous war bodies created at Ottawa.

*Canada Organizes—p. 11.*

* * *

**Base metal stocks** are favored more often than any other industrial group in the portfolios entered in The Post's wartime investing contest, staff study reveals.

*Base Metals—p. 19.*

* * *

**Clearing of winter** travel horizons has opened the prospect of a considerable trek of Canadians to sunny southern resorts after the turn of the year, a current travel survey indicates.

*Southern Trek—p. 13.*

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**General Index on p. 2.**

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### Canada at War

**Canada Organizes for War—p. 11**
**Excess Profits Tax—p. 15**
**Investing in Wartime—p. 8, 9**
**Plants to Aid U. K.—p. 1**
**The Home Front—p. 3**
**What's Holding Back Orders?—p. 11**

# Objectors Hit Hotel Scheme

## Large Vote Is Aligned Against Mount Royal Plan

From Our Own Correspondent

MONTREAL. — Plan of reorganization advanced by directors of the Mount Royal Hotel Co. this week ran afoul of a large opposition vote mobilized by the Shareholders General Protective Committee under the chairmanship of A. Stewart McNichols.

Prior to release of the plan the committee announced that it had proxies for over 50,000 shares which were to be voted in removing a majority of the present directors from the board, if, as and when a meeting was held. In securing these proxies it was stated that it was not the intention to vote them on a reorganization plan.

### Scramble for Proxies

Directors of the company in releasing a plan, called for an immediate vote because of the claim that shareholders would lose their equity in the property to the mortgage holder (Metropolitan Life Insurance Co.) unless affairs of the company were straightened away. They solicited proxies from those who had already given support to the committee.

There was a scramble for proxies. The committee had to circularize shareholders for new proxies and appeared to have secured sufficient stock to vote down the plan before the meeting convened.

At present the board of Mount Royal Hotel Co. is composed of the following: A. L. Caron (president); Vernon G. Cardy, M. A. Thomson, J. A. Raymond, P. A. Thomson, Hugh Mackay, J. H. Rainville, E. Gerald Smith.

### Offered to Resign

Following the setting up of the general committee J. A Raymond resigned as president and was replaced by A. L. Caron. At the same time it was announced that Mr. Caron had joined the board, replacing John Leslie who is understood to have represented the C.P.R. on the board.

It was also stated officially J. A. Raymond, P. A. Thomson and Hugh Mackay had tendered their resignations, same to become effective at the pleasure of the board. These resignations had not been acted upon up to the time of the meeting.

The shareholders protective committee, which has been pressing for a revamping of the board, is headed by A. Stewart McNichols, of Montreal. Other members are W. G. Hanson and Dr. W. G. Reilly, of Montreal; Percy Hermant and Andrew Park, of Toronto; and Isaac E. Pedlow, of Renfrew.

### Ripley Backs Committee

Back of this committee is C. A. Ripley, of Montreal. Mr. Ripley, while not well known to the public, has been interested in a number of important real estate deals in Montreal and elsewhere. His name is associated with the Greenshields Building and the Insurance Exchange Building, both in Montreal. Further, he has an interest in a number of hotels, notably those in western Ontario now managed by Vernon G. Cardy, who is also vice-president and managing director of the Mount Royal Hotel Co.

Vernon G. Cardy associated himself with the committee in opposition to the directors' plan. He advised Mr. Caron that he would vote against the plan.

The stock of the Mount Royal Hotel Co., both preferred and common, is widely distributed throughout Quebec and Ontario. The Financial Post understands that C. A. Ripley is largest individual shareholder. Other important blocks of stock are held by P. A. Thomson, the Pitfield Estate, the Hon. J. M. Wilson Estate, C.P.R., and others.

# U.S. Ready To Act Fast On Seaway

## But Prospect Is Slim of Early Canadian Action

### HELP TO ONTARIO

By STAFF WRITER

WASHINGTON.—Events leading toward a new St. Lawrence power and seaway treaty with Canada, are moving rapidly here.

It is now learned the United States Government was on the verge of making new overtures to Canada for consummation of a treaty almost at the same time that Premier Hepburn of Ontario decided to withdraw his earlier opposition. In short, quite independent of the Ontario Premier's volte-face, plans were under way here to revive the treaty project and again seek affirmative response from Canada to a proposal similar to that put forward in May, 1938.

This proposal of last year has since been gathering dust in an Ottawa pigeonhole, due to the refusal of Ontario's Premier Hepburn to "play ball."

### Quick Action Possible

The fact that the United States Government was not only willing, but ready to approach Canada anew, has played an important part in speeding up the new negotiations. If there were similar enthusiasm for rapid action on the part of the Canadian Government, it is believed that a treaty might conceivably be signed before the turn of the year and ratification obtained some time during the first quarter of 1940.

It is felt here that there will be no objection on the part of Ontario to facilitate an immediate treaty. There are some doubts, however, as to whether or not the Canadian Government is disposed to act as rapidly as this.

### Ratification Required

Even if the Prime Minister of Canada were prepared to facilitate the treaty before the year end, there would still be the barrier of ratification. Centre of opposition here will probably be the Mississippi Senators. But a powerful case is being built up by the administration to demonstrate the far-reaching advantages and need for a large-scale power development in the St. Lawrence area.

There is accordingly much optimism, politically, that a treaty can be ratified.

It is not believed that U. S. neutrality will greatly influence the decision, although much debate may be heard on the subject of committing the U. S. to a large-scale expenditure, part of which is to be spent in a country which is at war.

In fact, much of the opposition may centre around the provisions of the treaty itself which, on the basis of the 1938 draft, was extremely generous in allowing Canada substantial consideration for moneys already spent in the Welland Canal and other parts of the Great Lakes-St. Lawrence system.

### New Estimate Required

Assuming a treaty is ratified, then the next step would be appointment of joint boards of engineers to redraft and estimate the plans and costs of the whole project. Just how quickly these appointments would be made and how long it would take before these bodies could reach final agreement is problematical. Certainly the job could not be done in anything less than a year. It might take considerably longer.

### Hydro Would Benefit

It will be remembered, however, that under the draft treaty submitted to Canada by the United States in May, 1938, many important questions affecting water diversion and other projects in the Great Lakes area were to be settled simultaneously with the signing of a St. Lawrence Seaway pact. It is these special concessions which are of outstanding interest at the present time to Ontario.

The reason for this is that if somewhat similar undertakings are included in a new treaty, then Ontario would be permitted not only to divert into the Great Lakes system additional waters from the Ogoki shed, but also a further amount of water would be allowed for use at Niagara. This latter diversion would be by joint agreement as to the use of more water than is presently being diverted at Niagara for power purposes.

In all, some 180,000 h.p. might become available in this way to the Ontario Hydro-Electric Power Commission, once the treaty was ratified. This additional power could probably be brought into use without awaiting the report of engineers in regard to the St. Lawrence project itself. Cost of this additional power to the province would be nominal.

## Coming In The Post

Investment contest entrants' opinion of bonds and the issues which were most popular will be reviewed in The Post next week. There will also be another honorable mention entry, which investors will find profitable and interesting.

How much equipment does a modern army need to go into action? With Canada's striving to place an army in the field, this Post survey of the question is particularly appropriate.

# British War Orders

**What's happened to those war orders?**

**For weeks now, various official groups at Ottawa have given the impression they had pens poised above big orders promising vast demands on Canada's industrial capacity.**

**So far, not much has happened. The whys and wherefores are disclosed on the front page, second section.**

# Sulphite Pulp Contract Rate For 1940 on Higher Level

From Our Own Correspondent

MONTREAL.—Contract prices for bleached and unbleached sulphite pulp have been fixed for the first quarters of 1940 at prices ranging up to about $10 a ton over those now current. Bleached sulphite has been fixed at $60 a ton and unbleached sulphite at $50 a ton. There is no change in the price of rayon pulps, the present contract prices remaining in effect until the end of the first quarter of next year.

There has been a strengthening of prices for the past three months, especially because of the disturbance in shipping conditions between the Scandinavian countries and the United States. In particular groundwood and kraft pulp prices advanced sharply and quickly. Changes in sulphite prices have been rather slower because of the fact that much of the Canadian output, marketed in the States, is under contract and prices are adjusted quarterly.

### Adjust to Market

In the American market bleached and unbleached sulphite pulp has been selling at $50 and $60 a ton, respectively, for several weeks. This is for spot tonnage and in some instances sales have gone through at higher levels. In adjusting the contract prices, therefore, what has been done is to bring the level up to current market prices.

It is known that a considerable volume of business has been offered by American buyers to Canadian manufacturers, but the conditions have not always been favorable. The chief drawback has been on the term of the contract. This has been particularly true in the case of groundwood pulp. Several offers, for instance, have been made to Quebec Pulp and Paper Corp. which, so far, has refrained from opening its mill at Chicoutimi because the contracts did not make it worth while to expend the large capital outlay necessary to put the mill in shape for production.

Established producers of sulphite pulp would benefit materially from the new prices, including such companies as Fraser Cos., Canadian International Paper (which is now operating its new sulphite pulp mill at Gatineau), Abitibi, and B. C. Pulp. Some of the newsprint operators have surplus sulphite capacity, but as far as can be learned very little business has been contracted for, except in the case of Abitibi.

## *Lake Sulphite's Outlook Better*

From Our Own Correspondent

MONTREAL. — Holders of the junior equity in the bankrupt Lake Sulphite Pulp Co. stand to fare better when the reorganization is carried out than they did a few months ago. The rise in demand and price for sulphite pulp has made rehabilitation of the property a more attractive proposition and the various groups interested in the enterprise have been readjusting their plans.

As far as can be gathered there is no immediate prospect of a reorganization, but it is felt that under existing conditions the common stockholders will not lose by the delay.

# Assoc. Aircraft May Get Order

## Company Reported to be Negotiating With British Government

From Our Own Correspondent

MONTREAL.—Canadian Associated Aircraft Ltd. is reported to be in line for additional orders from the British Government. Representatives of the company are now in England negotiating with the British Government.

It is also possible the British Government will place orders for planes direct with some Canadian aircraft companies. Several companies participating in Canadian Associated Aircraft already have separate orders.

Companies not participating in Canadian Associated Aircraft may also get orders. At the time Canadian Associated Aircraft was formed, it was announced that companies such as De Havilland Aircraft of Canada, Cub Aircraft, Montreal Aircraft Industries and Noorduyn Aviation would be given orders.

Confirmation cannot be obtained for recent rumors that the British Government would take over direct operation of Associated Aircraft and its central assembly plants near Montreal and Toronto. The rumors also suggested repayment to the six participating firms of their subscription of capital for C.A.A., which amounted in each case to $166,666.

# Mercury Mills '39 Earnings Up

## Plants at Capacity and Orders Near Record Level

Earnings of Mercury Mills Ltd. for 1939 are expected to show substantial improvement over any recent year, according to sources in close touch with the company.

The company's two plants, at Hamilton and Listowel, are working at capacity. Volume of orders on hand is also stated to be the largest in many years. This is attributed to the general improvement in business over the last few months and to the fact that the outbreak of war found inventories in the hands of retailers and wholesalers at unusually low levels.

Forward buying for spring delivery is also stated to be at a high level. Military orders have accounted for "only a small proportion" of the volume of business being obtained.

The Financial Post is also told that evidence of widespread approval of the plan of reorganization which is to be voted on at the meeting on Dec. 20 has already been received by the company.

# Tenders are Best Even In Wartime

## Cost-plus System in Governmental Construction Contracts Opens Way to Numerous Abuses—Official Argument For "Secrecy"

Should governmental contracts for construction jobs be let on a basis of cost plus a percentage? No little interest has been aroused by some of the recent articles in The Financial Post in which cost-plus contracts, in certain cases with no "ceiling" or limit to the possible ultimate cost, have been discussed.

**The Financial Post has expressed the view, and believes that most businessmen will support it in that view that, when Government contracts are to be let, the system of open competition through tenders should be followed except where there are compelling reasons to the contrary.**

Granting of a cost-plus contract usually implies the selection of a contractor rather than the calling for tenders.

In Government contracts, The Financial Post has contended, the cost-plus contract leaves the door open for political or personal favoritism. Indeed, as has been abundantly demonstrated, such favoritism in the selection of contractors has reached scandalous proportions at Ottawa.

* * *

The construction industry in Canada is divided on the question of calling for tenders versus selection of a contractor to do a job on a cost-plus basis.

So much is apparent from letters received by The Financial Post and from articles in construction journals. The official spokesman for the construction industry—the National Construction Council—does not seem to have declared itself on the general principle of cost-plus versus tenders in Government contracts. But it has expressed its views on the subject of how emergency construction in wartime should be handled. Its resolution has not been published in full but official summaries indicate that the Council urged that in such contracts tenders should be called for whenever time permitted and that contracts should be let only to bona fide contractors.

Another important group, the Builders' Exchange, of Montreal, has written a letter to The Financial Post setting forth its views on a number of subjects including cost-plus contracts. The letter was inspired by The Financial Post article of October 28 on West Coast defense contracts. The letter is published in full at the end of this article.

The Exchange takes the view that the selection of one contractor to do a job is the only way that work can be done on fortifications of a highly secret nature.

On the other hand, a leading west coast construction firm has written The Post a letter approving the article for "exposing the gross waste of public funds and the flagrant use of patronage in the letting of contracts."

Another spokesman for the construction industry called at The Financial Post offices to discuss the West Coast fortifications article. But he did not seek to defend the practice—which was followed in eight contracts on the Pacific coast—of letting the work on a "cost-plus percentage" basis. Rather he felt that the most efficient and satisfactory way of getting work done, when tenders were not called for, was to obtain an estimate and let the contracts to a bona fide, well-established construction firm on a basis of cost plus a fixed fee, which would provide protection against any temptation to allow cost to rise unduly.

* * *

The attitude of the Department of National Defense itself was set forth in an oral statement made by official spokesmen for the Department to Maclean's Magazine. The views of the Department on the subject of letting contracts for fortifications as set forth in Maclean's of December 1 are as follows:

1. Use of a selected contractor made it possible to guard the secrecy of plans. If tenders had been called for, plans would have had to be given to a group of bidders.
2. "Selection" guaranteed complete control over the contractor, and prevented the contract from falling into alien hands.
3. "Selection" guaranteed complete control over the choosing of working personnel.
4. Modern fortifications are largely underground. It was impossible to state in advance what conditions might be encountered, therefore it was impossible for a bidder to make a firm estimate of the total cost of the work in advance.
5. The cost-plus method permitted flexibility of design. Changes

(Continued on page 4)

# Exchange Control Defines Export

## New Regulations Aim at Blocking Indirect Exports of Capital

A number of amendments have recently been added to the Foreign Exchange Control order designed to prevent evasion of the exchange control regulations by indirect methods. The importance of these new clauses is that they strengthen the hands of the Foreign Exchange Control Board in preventing exports of capital.

Earlier orders of the Board had contained provisions designed to prevent direct capital exports. But evidently the intention thus to conserve resources of the country has been frustrated to some extent at least by indirect exports.

Apparently it was felt by some people that capital meant money, and that as long as no money was actually exported the order was being observed. To clarify the matter and strengthen the hands of the board a new section has been added to the regulations forbidding in general terms the export of capital. A number of examples of what may be regarded as export of capital in addition to money were given. According to the amendment, the term includes:

Export of property for no payment or for payment on a long term credit. That is where payment is not required for more than six months after shipment from Canada, except, of course, when goods are shipped on consignment.

The export of goods for a price less than the fair value of the property.

The payment for imports of a price more than their fair value.

Transfer to non-residents of foreign securities or of property situated outside the country for payment of less than its fair value.

Acceptance of Canadian dollars in payment of a debt owing in foreign exchange.

Relinquishment of any right to foreign exchange.

The amendment makes it clear, however, that exceptions will be made where desirable regarding goods sold to the government of a British Empire country or of an Allied country in the present war. Nor is there any intention to interfere with the export of securities owned by a non-resident on his own account or with the transfer to a non-resident of securities or other property similarly owned.

### Services Included

The new section also gives power to the board to designate certain services performed for non-residents for which payment shall be obtained in foreign exchange instead of in Canadian dollars.

Another of the amendments requires that if freight is to be prepaid on exports, the Canadian exporter must charge the amount of the freight to his foreign customer in foreign exchange. This was found necessary in order to check the demand for Canadian dollars on the black market outside Canada.

If non-residents were permitted to pay these freight charges in Canadian dollars, anybody wanting to export capital from Canada would find a rapid unofficial market abroad on which he might sell Canadian currency. This when used to pay off the freight would find its way back to Canada and the Foreign Exchange Control Board would lose foreign exchange.

### Non-residents

Another amendment requires a non-resident becoming a resident in Canada after the Foreign Exchange Control Order came into force, to declare his holdings of foreign exchange and foreign securities as other residents do. Conversely to prevent residents evading the provisions of the order by removing to a foreign country and claiming exemptions to which genuine non-residents are entitled, a resident of Canada cannot become a non-resident as far as the application of the Foreign Exchange Board is concerned except with the approval of that body.

In order also to check the conversion of sterling into United States dollars except through authorized channels, power has been given the board to prescribe the particular foreign currencies in which payment for exports may be made.

# Ralston Works On Budget Now

## Yields War Supply Board Control to Hon. C. D. Howe

From Our Own Correspondent

OTTAWA.—Transfer of the War Supply Board from the Finance to the Transport Department is the best evidence to date of an early session of parliament.

Hon. J. L. Ralston turns over the control of this board to Hon. C. D. Howe. The choice of a successor to Mr. Ralson is natural for several reasons. Mr. Howe is a civil engineer and a large-scale builder. He had more to do than any other minister with the selection of Wallace Campbell as Supply Board head and is the ministerial boss of R. C. Vaughan, the deputy head of the Board, whose regular job is vice-president in charge of purchasing for the National Railways.

The minister responsible for the War Supply Board in parliament will have a good deal of work to do. He will have to defend the Board in debate and answer the innumerable questions which members will ask regarding it.

But the chief reason for the transfer is to relieve Mr. Ralston so that he can tackle the work which must be done before parliament meets. The chief job is to prepare the estimates of expenditure for the next fiscal year. The estimates, as a rule, are laid on the table of the Commons shortly after the opening. And these estimates are prepared by a small committee of which the Minister of Finance is the chairman.

These has been a growing demand in the country in the past few weeks for economy on non-war expenditures.

# *Short Wave Plans Shelved By Ottawa*

From Our Own Correspondent

OTTAWA. — Rather than risk offending the United States the Government has temporarily shelved plans to establish a short wave broadcasting station.

It is learned authoritatively that the Government's plans for such a station were well advanced in the early weeks of the war, but the proposal was abandoned after Ottawa received advice from various important sources, some of them, it is believed, outside this country.

It was felt that the cause for which Canada is now fighting might be injured if anything was done which the people of the United States suspected of being "propaganda." Public opinion across the line is felt to be so favorable to the British war effort that it would be unwise to risk giving offense.

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# Fraser Companies Sued by Gatineau

**From Our Own Correspondent**

MONTREAL. — Gatineau Power Co. has instituted legal action against Fraser Cos., claiming over $559,000 for power allegedly delivered and not paid for.

The case centres around interpretation of the contract made between the Saint John River Power Co. and Fraser Cos. in 1926, whereby Fraser Cos. agreed to purchase and the former agreed to hold available at Grand Falls, 20,000 h.p. of electrical energy divided into 13,000 h.p. of class A power and 7,000 h.p. of class B power. In 1933 the Saint John River Power Co. was absorbed by Gatineau.

Gatineau claims that between Oct. 1, 1928, when the contract commenced and Oct. 31, 1937, just prior to the issue of the writ, the company delivered all the energy agreed to be sold to Fraser Cos. and regularly billed the defendant each month at the rate of $20 a year for each horsepower. Gatineau now claims $559,880 plus interest at 6% from Oct. 1, 1937.

Fraser Cos. in defense contends among other things that it did not agree to pay for every horsepower of class B in any event but if it is liable, it is liable only for so much as was actually taken or used from time to time or in the alternative for such power as was held available by the power company.

It is further contended, that if the defendant is liable for the full amount claimed an account be taken between the parties to find out how much of the 20,000 h.p. was sold by the power company to other parties than the defendant

## DIVIDEND NOTICES

### Canadian Breweries Limited

**Dividend Notice**

Notice is hereby given that a dividend of fifty cents (50c) per share on the Cumulative Sinking Fund Convertible Preference Shares of the Company has been declared payable on the 2nd day of January, 1940, to Shareholders of record at the close of business on the 15th day of December, 1939.

By Order of the Board,
W. C. BUTLER,
Secretary.

Toronto, Ontario,
Nov. 29, 1939.

**Features**

in the December issue

THE CANADIAN CHARTERED ACCOUNTANT

War contracts on no-profit and cost-plus basis
Workmen's compensation legislation in Canada
Real estate and the war
Privy Council allows appeal in **Pioneer Laundry** case
War finance—taxation
Accounting terminology

Published monthly. $2.00 per annum. Subscription open to all. Sample copy sent on request. A. H. Carr, Editor, 10 Adelaide Street East, Toronto.

# Plants in Canada To Help Exports

(Continued from page 1)

ments. We find here an opportunity to make one of the greatest Empire contributions toward the protection of British democracy.

**Outlines Methods**

"The procedure to be adopted would be as follows:

"1. A contract would be made between two companies—one in Great Britain and one in Canada—for the duration of the war. The Canadian company would agree to manufacture goods to the order of the British company on a cost plus basis, or at definite contract prices, either one of which could be agreed upon between the contracting parties.

"2. British firms now have their sales organization in the countries abroad to which goods would be shipped, and arrangements would merely entail instructing the Canadian company to produce so many units and ship to the customer, invoicing him at prices set by the British company.

"3. The difference in the price for which the Canadian company contracted to make the goods, and the amount received from the customer, would be transmitted to the British company. Markets would be protected during war and foreign exchange—which might be lost through hostilities and inability to supply goods—would go to Great Britain.

**Co-ordinating Bodies**

"4. To put this plan into operation of the British Federation of Industries and various Boards of Trade there, working with the Canadian Manufacturers' Association in Canada, could determine the British companies who want these additional sources of supply.

"5. Data similar to that secured by the Department of National Defense for war purposes should be gathered under one organization here. Thus, suitable plants and equipment could be quickly picked out and put in touch with British companies wishing Canadian facilities. Beyond that the arrangements would be made by the firms themselves.

**For War Period Only**

"It would be clearly understood that these arrangements were of an emergency nature, and would terminate with cessation of hostilities unless the contracting parties themselves made some other arrangement to carry on. Great Britain would be keeping the greater part of her present export market for peace when it arrives. The goodwill of the various companies would be kept alive, and should any of their buildings be destroyed by air raids in England, they would always feel that the business itself was being protected through the co-operation of Canadian manufacturers until such time as they could rebuild.

"At the same time Canada would be securing extra production, other than war material. I would suggest that where possible the Canadian and U. S. manufacturing rights to the articles produced under this scheme be secured by the Canadian company. By so doing any anticipated slump ensuing upon the advent of peace would be cushioned by the potentialities of these markets."

# Notice to Debenture Holders of the TOWNSHIP OF YORK

Ontario

Notice is hereby given that a Plan of Adjustment of the Debenture Debt of the Township of York has been approved by the Council of the Township of York and the Department of Municipal Affairs of the Province of Ontario, and is being recommended to the debenture holders for acceptance by the Debenture Holders Protective Committee.

Since to become effective, the Plan requires the approval of holders of at least two-thirds of the debt of the Township, the Committee desires to urge that it is important to all holders of the Township of York Debentures if they have not already received a copy of the circular to Debenture Holders dated November 29, 1939, summarizing the plan, that they communicate with the Secretary to the Committee, W. F. McIlroy, Esq., Tenth Floor, 302 Bay Street, Toronto 2, Ontario, in order to obtain a copy of such circular.

# The Nation's Business

(Continued from page 1)

war effort," said Col. George Drew in a statesmanlike address before the Empire Club in Toronto the other day. Then he added this warning: "The dark shadow of Communism spreads over Europe." Before we decide that Germany must be crushed forever, "it would be wise to pause and consider whether that is not the very thing for which the archenemy of God in the Kremlin is anxiously waiting and hoping."

Col. Drew's address brought from the Toronto Globe and Mail this comment:

> "Col. Drew's alarm over Communism may be warranted; but why engage in shadow-boxing over a potential war threatening destruction to western civilization until we have dealt with a real one carrying equal danger?"

* * *

Does not the Globe and Mail overlook the fact that Communism is a very real present threat at this moment, not merely in Europe but at home, where subversive agents, working with and through highly placed dupes, are seeking to undermine our national strength?

Over and over again during the last war seditious influences weakened our war effort. In the intervening years, country-wide conspiracy, carefully directed from Moscow, has sought to break down the Canadian system.

It is still at work today.

Sinister Communist operations seek to nullify so far as possible the effectiveness of our war effort now. Moscow will be equally alert to seize the psychological moment in this war—if we afford her the opportunity of such a moment—to promote a Red revolution in Germany and spread Bolshevism throughout the whole of Europe.

* * *

Let us not forget some of the incidents in the last war which show how easily Communist influences can operate in the very highest circles. There is, for example, the case of one Lev Davidovich Bronstein, better known to the world as Leon Trotsky.

Trotsky was a Pole who changed his name after he had acquired a lengthy police record in Russia. He was expelled from France during the war and came to the United States which he made a base for his revolutionary activities. Through powerful influences he obtained a confidential post in the British War Mission offices in New York, under Col. J. S. Dennis, of Canada. All the time he was preparing for the Russian revolution, working with his fellow conspirator, Lenin, in Switzerland.

The British secret service learned of his activities and watched him. When the Kerensky revolution came in Russia in 1917, he set sail from New York. The night before he sailed he addressed a meeting of hand-picked Communists in New York, telling them that everything had been arranged to seize power from Kerensky, take Russia out of the war and set up a Bolshevist government.

Trotsky did not know it, but a hidden dictograph in the room carried his speech to Washington, where it was typed. When Trotsky's ship sailed, two British officers were aboard the vessel. The boat put into Halifax harbor. There Trotsky was arrested and interned.

Then powerful friends began to work for him. They were able to arrange for a formal request to be sent to Ottawa from British authorities asking for his release. This was a blind. At the same time a secret and urgent request came from the British embassy in Washington, asking that he be not released under any circumstances. A copy of his New York address was forwarded to the Canadian Government. Prime Minister Borden decided that Trotsky would stay in internment. Yet, very cleverly, officials were induced to side-step the Prime Minister's orders. Trotsky was released and escaped to Russia, where he joined Lenin at the head of the Bolshevist revolution that came near to losing the war for the Allies.

* * *

That happened in the midst of the Great War of 1914-1918, when governments and the public were supposedly on guard against every subversive influence that might weaken our war effort.

Today the agents of Moscow are even more active here in Canada. Today they have unlimited funds at their disposal. They work under cover.

Such influences are dangerous. Col. Drew is wise to focus our attention on the enemy behind the enemy—Communism.

* * *

## Not Platitudes and Promises

Prime Minister King is reported to have promised newspapermen last week that there is going to be a Bureau of Information, that the Government is going to mend its ways and tell Canadians something of the whys and wherefores of the war effort.

Such a policy is long overdue; cannot start too quickly.

One of the first real news stories on the mechanics of Canada's war effort was the broadcast by the Hon. James L. Ralston, Minister of Finance, last Friday. He gave facts and figures that were newsworthy, informative, inspirational. He spoke as man to man, made his listeners feel that things were being done, that an honest effort was being made to prosecute the war with all possible dispatch.

But Mr. Ralston spoke for only a few minutes, was probably not listened to in more than one home in half a dozen or by more than a small percentage of Canadians.

A steady stream of information and interpretation — leadership by inspiration — should be coming out from Ottawa every hour of the day, every day of the week, to satisfy the appetite of Canadians for news as to how and why war wheels go round.

There is no need to wait until Parliament is in session. There will be plenty, probably too much, for Parliament to learn and discuss when it meets.

Meanwhile millions of Canadians want to hear, not platitudes and promises, but the "lowdown" on what is and is not being done to win this war.

* * *

## Mr. Hepburn's War Tirades

Impetuous Premier Hepburn of Ontario will get more support for his attack on Canada's war effort when he is more specific.

"Mitch" is not the only one who thinks that things are not moving as quickly at Ottawa as might be desired. But he has confined himself to generalizations with nothing of chapter and verse to support them. Let him produce the factual evidence.

What's more, Mr. Hepburn, who is sincere about doing his bit to win the war, might try a little co-operation himself.

There was too much impulsiveness in his recent outburst about mounted police guards for hydro plants. If the R.C.M.P. guards were unsatisfactory, why was not the matter taken up at Ottawa—discussed across the table with Commissioner Wood? To issue a curt order upsetting the arrangement is not the best way to handle such a situation.

# Says Aircraft Plants Ignored

## Lack of Orders Retards Canadian Production, Editor Complains

Canadian aircraft plants are being passed over by the Dominion Government in favor of United States and British factories, a public meeting in Toronto last weeek was told by Frank Walker, editor of Commercial Aviation. Since the outbreak of war, he added, the Canadian War Supply Board had ordered only three transport planes.

Agreeing that Canadian aircraft production was slow, Mr. Walker declared that one machine recently completed was obsolete by the time it was turned out, 18 months after being ordered.

He reported seeing five machines without propellers at the Trenton air force centre, and asserted, "they have 15 airplanes with only two propellers." He alleged the National Steel Car Corp. had received an order for planes, "but somebody forgot to order propellers."

Mr. Walker reported that the Canadian aircraft industry had been told by Ottawa that it did not have facilities to turn out the planes being ordered from American and British factories. But he complained, it was impossible to develop such facilities unless encouraging and development orders were placed.

*Editor's Note:—The Financial Post on Aug. 26 and Oct. 21 published articles giving specific information on the results of bungling in Canada's air defense preparations. The second article told of the propeller-less planes standing idle at the air station.*

### JOINS WILSIL BOARD

**From Our Own Correspondent**

MONTREAL.—Louis St. Laurent, K.C., has been elected a director of Wilsil Ltd.

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A87

# General Steel Wares Ltd. Wipes Out All Arrears

**From Our Own Correspondent**

MONTREAL. — General Steel Wares has wiped out all arrears of dividends on the preferred stock. The directors have declared a dividend of $1.75 a share, payable Dec. 15 to shareholders of record Dec. 1. This covers the period from Aug. 1 to Oct. 31 and brings all dividend payments up to date.

## Borden's

COMMON DIVIDEND
No. 119

The final dividend for the year 1939 of fifty cents (50¢) per share has been declared on the outstanding common stock of this Company, payable December 20, 1939, to stockholders of record at the close of business December 8, 1939. Checks will be mailed.

*The Borden Company*
E. L. NOETZEL, Treasurer

# Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

| Municipality— | Date Issued | Sold to | Rate | Due | Amount | Price | Yield |
|---|---|---|---|---|---|---|---|
| Village of Swansea | Nov. | Harris, Ramsay & Co. | 3½% | 15-ins. | $12,800 | 100.01 | ..... |
| Halton, County of, Ont. | Nov. | Fairclough & Co. | 3% | 5-ins. | 14,000 | 100.43 | 2.85% |
| Georgetown, Ont. | Nov. | Wood, Gundy & Co. | 3½% | 1940-44 | 19,845 | 101.66 | ..... |

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

| Bond Issues— | Date Issued | Offered By | Rate | Due | Amount | Price | Yield |
|---|---|---|---|---|---|---|---|
| Shawinigan Water & Pwr. | Nov. | Dominion Securities and Syndicate | 3½% | 1946 | $6,000,000 | 100 | 3.50% |

The 5 MILLIONTH

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Serial No. 5,000,000

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# London Calling

By Atticus

LONDON.—All foreign diplomats do not love Britain equally. This profound thought occurred to me the other day when I had the pleasure of lunching at the Chinese Embassy with Dr. Sun Fo. This gentleman is the son of Dr. Sun Yat-Sen and was formerly Prime Minister of China. Now he is President of the Legislative Union of his native country, which, I gather, is similar to being Lord Privy Seal over here. At any rate, his duties permit him to travel abroad a great deal, which he does in the rôle of a wandering plenipotentiary.

He came to London from Rome, but had previously been for some time in Moscow and was there, in fact, when Germany signed the agreement with Russia and our delegates decided to come home. The Doctor, who speaks almost as perfect English as the Chinese Ambassador himself, does not think Russia intends to make war on anyone. I gathered, indeed, from his cordial appreciation of Russia's foreign policy that M. Stalin might now sing with the chorus of "The Mountebanks."

> We are members of a secret society
> Working by the moon's uncertain disc;
> Our motto is revenge without anxiety,
> That is without unnecessary risk.

It was when Dr. Sun Fo spoke of the contrasted attitudes of Russia and Britain toward his country that I first sensed a slight lack of pro-British fervor:

"Russia has granted us credits for fifty million pounds," he said. "And Great Britain has not given a tenth of that. The Russians are business-like. I myself secured thirty millions of that amount on this visit. We discussed the matter for only a few hours and then it was all arranged." In his opinion Japan is very tired and will be unable to set up a puppet Government in place of the Chinese Generalissimo's Administration.

Dr. Sun Fo does not exude that smiling urbanity which is one of the traditional charms of the Chinese. He has an incisive mind and, although unfailingly courteous, he speaks with an almost Occidental directness. Perhaps, as the son of his father, he feels that he possesses the right to speak for China, in terms that permit of no misunderstanding.

## New Dutch Minister

The course of events spares few people. Thus the new Netherlands Minister to London, Jonkheer Michiels van Verduynen, begins his work here under anxious conditions. One does not usually think of Dutchmen as very tall men, but the new Minister stands 6 foot. With his broad shoulders and athletic chest, plus his military walk, he would not be unsuitable for the representative of a dynamic totalitarian state. On the other hand, there are many signs of civilization in his personality. His broad, deep forehead bespeaks tolerance, an unforgivable quality according to dynamic standards. He is fifty-five years of age, and his hair is just beginning to show grey. As befits his race, his face is serious in repose, but he smiles readily and has a cheerful outlook on life when events permit. He also has the deliberate tempo of the Dutch in a deep voice which measures and almost rations words as if they are not to be wasted.

Of all nations in Europe Holland has always in our time and long before seemed most remote from war. One has only to recall the flatness of her farm lands streaked by countless irrigation streams, her pleasant highways with comfortable burghers in the towns and wholesome, unexciting young women on bicycles, her ports crowded with ships on business bent. One almost expects to see the white-capped chorus of "Miss Hook of Holland" emerge at any moment and clog a welcome to the visiting train.

But Holland has committed an unforgivable crime. She stands geographically between Hitler and those British war-mongers who, as Russia has pointed out, are so determined to fight that they carry on a war even after the victim of aggression is dead.

## A Roosevelt Enlists

Now let us turn to a man who loves us like a brother—and a man who also had a father. I refer to Major Kermit Roosevelt, M.C., the son of the illustrious "Teddy," former President of the United States. The Major would certainly have been with us in the Boer War if schoolboys had been eligible. As it was, he had to wait until 1914 for his chance. While his country was expounding the doctrine of neutrality, he joined up with the British and won the Military Cross, serving in the heat and travail of the Mesopotamia campaign.

When the present war broke out he was living at the Roosevelt home in Long Island, a pleasant spot, as my own eyes have witnessed. Being just under fifty he rightly talked the matter over with his mother, who is eighty-two. There was some clause in the United States passport that the owner of it must not join a foreign army. Kermit waved that aside. He refused to admit that Britain was a foreign country.

So he packed his things and boarded an American liner at New York. Just before the ship left a telegram was handed to him. It was from his mother and read: "Good hunting. Love." That telegram may not possess the rarefied spirituality of true pacifism, but there is something magnificently courageous about it.

This is a curious war. The emotions lie dormant for days at a time and one wonders if perhaps they have died. Then comes a story like this one, of the telegram from the eighty-two-year-old widow of an American President to her son off to fight for Britain; and things surge up inside that make a cauldron of the human breast.

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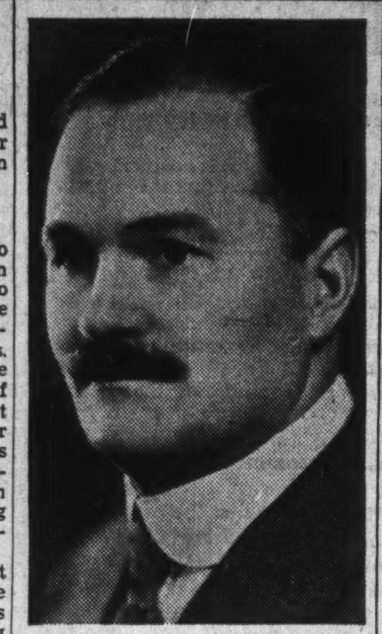

## JOINS PAPER BOARD

Hon. Charles Dunning, former Minister of Finance, who has been elected to the board of Consolidated Paper Corp. Mr. Dunning was chairman of the bondholders' protective committee in connection with the reorganization of the company.

# New Books

### Canadian Economic Study

A SOCIAL APPROACH TO ECONOMICS. By H. A. Logan and Mark K. Inman. Published by University of Toronto Press, Toronto. Price $3.75.

The study of economics in any Canadian university is likely to be carried out with a wide variety of tools. First must come the standard textbooks, usually written by British or foreign authors and dealing with broad general theories, illustrated by case histories that may have little application to Canadian affairs. Next must come the more tendentious works of men like Cole, Laski, Berle and Means, Beveridge and others, who are founders of "schools," or propagandists for other schools. Finally, the students will give attention to Canadian volumes dealing with particular subjects in their domestic application such as transportation, trade policy, banking, agricultural economics, etc.

Professor Logan, of University of Toronto, and Professor Inman, of University of Western Ontario, have apparently sought to combine the first and last of the three types in a single volume. They have written what is ostensibly a book on the various theoretical aspects of economics with particular reference to the peculiar problems of Canada. The product of their joint labors is a volume that will be of exceedingly great value in Canadian schools of political economy.

But as the title suggests this is more than "A Canadian Approach to Economics." The very use of the phrase the "Social Approach" implies that the authors desire to do more than produce a textbook; that they had certain ideas of their own to put forward. These ideas color certain of the chapters very greatly, others very little. Often they take the form of "obiter dicta." Obviously the authors do not like the "profits system." They dislike very much the big corporation. They think that the "freedom" of initiative under our economic order may be more apparent than real.

"The Social Approach to Economics" is half informative; half provocative. Thus it falls between certain important Canadian economic studies that are so objective as to be entirely dull and others that are so slanted as to be personalized evangelism.

The printing, binding, indexing and bibliography are in keeping with the high standard of thought and expression.

### Eighteen Great Addresses

THE NEVER FAILING STREAM. By Rabbi Maurice Eisendrath. Published by Macmillan Co. of Canada, Toronto. Price $2.50.

Rabbi Eisendrath is known from coast to coast as a progressive thinker and one of Canada's finest public speakers. He has as many friends among the Christian people of Canada as among the Jews because he has appeared in many Christian pulpits and on a wide variety of public platforms.

On the tenth anniversary of his coming to Canada as rabbi of Holy Blossom Synagogue, Toronto, he has been induced to put 18 of his addresses between the covers of a book. They range over a field as wide as the rabbi's interests. Some help to interpret the Jew to the Christian and the Christian to the Jew. Some deal with international affairs, others with social problems.

Rabbi Eisendrath's addresses are models of what forceful and convincing public utterance should be. Each one starts with a challenging idea. Each one is interesting and lucid. Each one carries conviction. And each one makes effective use of the compelling word and phrase.

### How We Got Here

AN INTRODUCTION TO WORLD ECONOMIC HISTORY. By Prof. J. Percival Day. Published by the Macmillan Company of Canada, Toronto. Price $1.10.

Most readable and understandable among Canadian economists is Professor Day of the economics department of McGill University. He has written this small volume chiefly for students confused by the violent sweep of post-war economic trends.

The maladjustments left by the war, the abortive efforts to achieve settlement of trade and monetary problems, the many missed opportunities to get back on the high road of economic stability again are all reviewed with a clarity that matches the conciseness of the tale.

The businessman and citizen will find Professor Day's unhurried, unemotional analysis as helpful as the university student.

### Financing the Consumer

CONSUMER CREDIT. By Rolf Nugent. Published by Russell Sage Foundation, New York. Price $3.

The Russell Sage Foundation has been a pioneer for many years in the study of "small lending." Now it broadens its field to consider all aspects of consumer credit, including household financing, installment selling, personal loan work by banks, "charge" accounts in retail stores, etc.

Mr. Nugent puts on the record a wealth of factual material essential to any study of the problem. It is of value to businessmen as well as to students of social and economic problems.

### The British Case

BRITISH WHITE PAPERS. Sir Nevile Henderson's Final Report and Papers on German Atrocities. Published by Musson Book Company, Toronto. Price 15 cents each.

"Best sellers" in England continue to be the British white papers on the war. Musson's have been reprinting them in inexpensive Canadian editions.

One of these white papers (with a yellow cover) is Sir Nevile Henderson's final report on the circumstances leading up to the outbreak of war. It has been widely acclaimed as a remarkable piece of psychological analysis, the subject being, of course, Adolf Hitler.

The second white paper (with a red cover) contains reports by British consuls in Germany on the maltreatment of Germans in concentration camps and elsewhere.

# The Home Front

## Nation's Nerve Centres Guarded

## By Veterans' Security Committee

The National Veterans Security Committee, composed of war veterans' organizations in Ontario, since the outbreak of war has provided a total of 1,500 guards against sabotage at both private and public properties. It has provided since inception 900 war veterans to supplement R.C.M.P. and Ontario provincial police forces to act as municipal guards. In addition about 600 men have been enlisted for duty with private establishments.

The organization has, while performing its essential function of mobilizing guards for vital power plants, canals and industrial plants, given work to unemployed veterans with overseas service and taken a number of these men off relief. It has also released younger men for other duties.

The Committee was formed in February, 1939, and is composed of representatives from the Canadian Legion, Canadian Corps Association, Army and Navy Veterans in Canada, Amputations Association, British Imperial Comrades Association, Sir Arthur Pearson Club for Blinded Sailors and Soldiers, and the Canadian Pensioners Association.

The committee was formed to centralize all veterans organizations in this work. Local committees were formed in cities and towns where there was more than one veterans' organization and an adjutant appointed to direct work of the local body. Requests from public or private organizations are transmitted through the parent body to the local organization, which provides the necessary personnel from its own ranks.

### No Appeal for Funds

Administration work is provided by the machinery of the Canadian Legion in Toronto, which has no greater or less authority in the committee than other organizations.

The committee has not and does not intend to make any appeal for funds. The veteran guards are paid directly by the organizations whose property they are guarding. The committee is in essence a labor clearing house, but does not receive any compensation from the veterans for its efforts on their behalf.

### Improve Veterans' Health

Officials of the committee state that the conduct of the veterans while on duty has been excellent and that the spirits and health of many of the men, some of whom have been unemployed for considerable periods, has shown improvement. Cooperation between the policing establishments, under whose jurisdiction the veterans work, has been close, and formation of the organization was sanctioned and supported by the Ontario Government. The committee praises the aid extended by both Dominion and provincial police.

Major C. B. Lindsey is chairman of the committee. L. R. Menzies is secretary of the organization, and is assisted by Capt J. S. Gzowski. The committee is composed of representatives of the various veterans organizations subscribing to the scheme, as follows: Major Lindsey, Col. J. W. Langmuir, Major G. R. N. Collins, R. E. Matthews, Col. H. N. Gzowski, W. C. Dies, Mr. Menzies, Major G. L. Magann, W. J. Thompson, Gibson Uttley, A. E. F. Wright and Alan Cockeram.

SIMPSON'S FURNITURE FLOOR—THE FIFTH

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Fine Furniture Galleries

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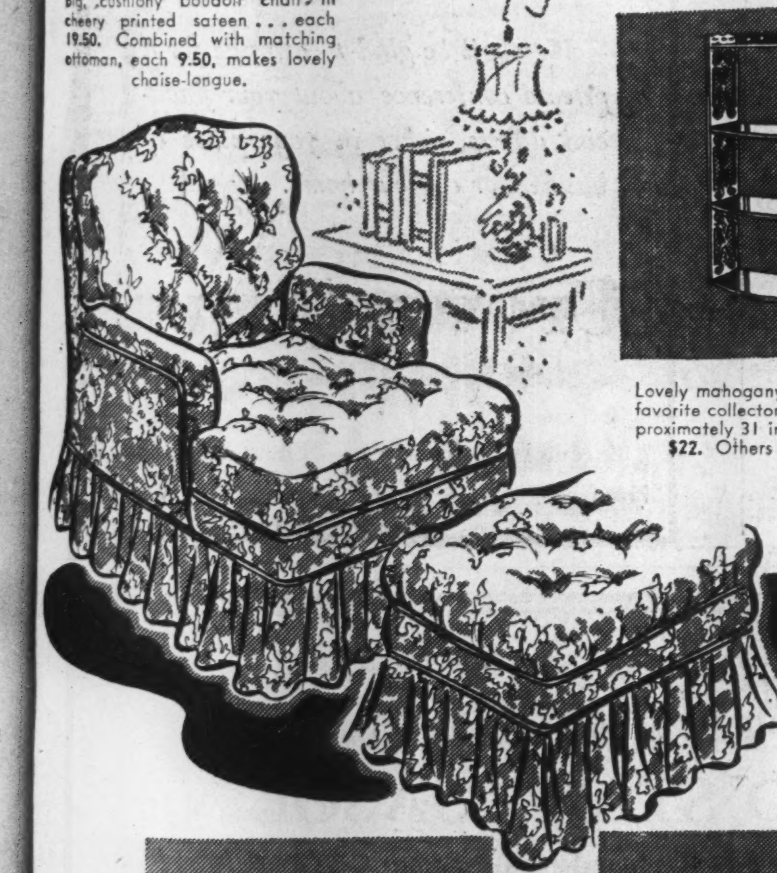
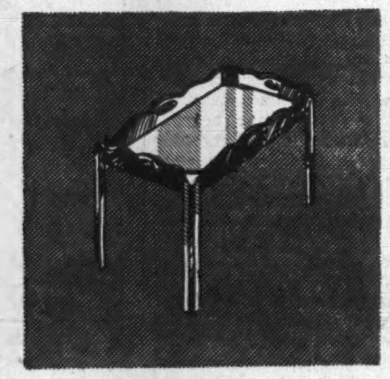
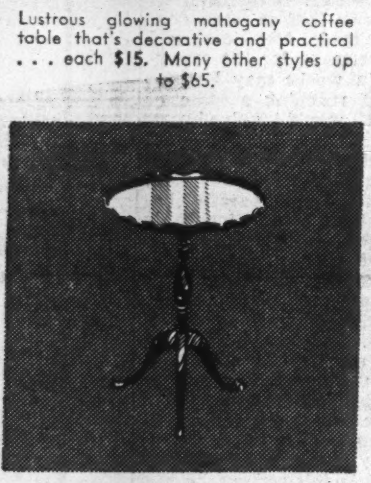
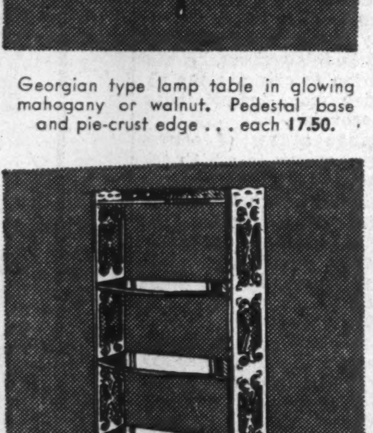




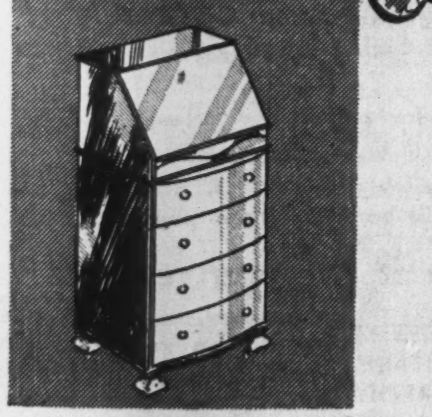
Lustrous glowing mahogany coffee table that's decorative and practical . . . each $15. Many other styles up to $65.



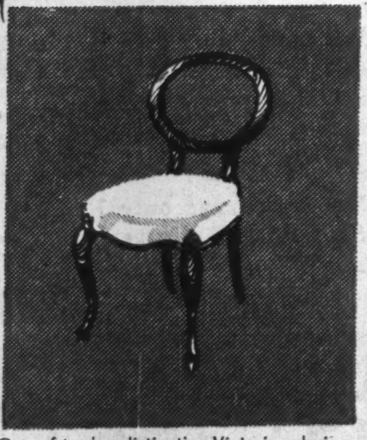
Georgian type lamp table in glowing mahogany or walnut. Pedestal base and pie-crust edge . . . each 17.50.



Lovely mahogany wall bracket for your favorite collector's pieces or books. Approximately 31 inches x 20 inches. Each $22. Others from $11 to 36.50.



Beautiful bow-front ladies' writing desk-chest in 18th Century design. Glowing mahogany. Each $45.



One of twelve distinctive Victorian design chairs. Lovely old frames . . . imported . . . strengthened . . . refinished . . . ready for upholstering. Each $19.

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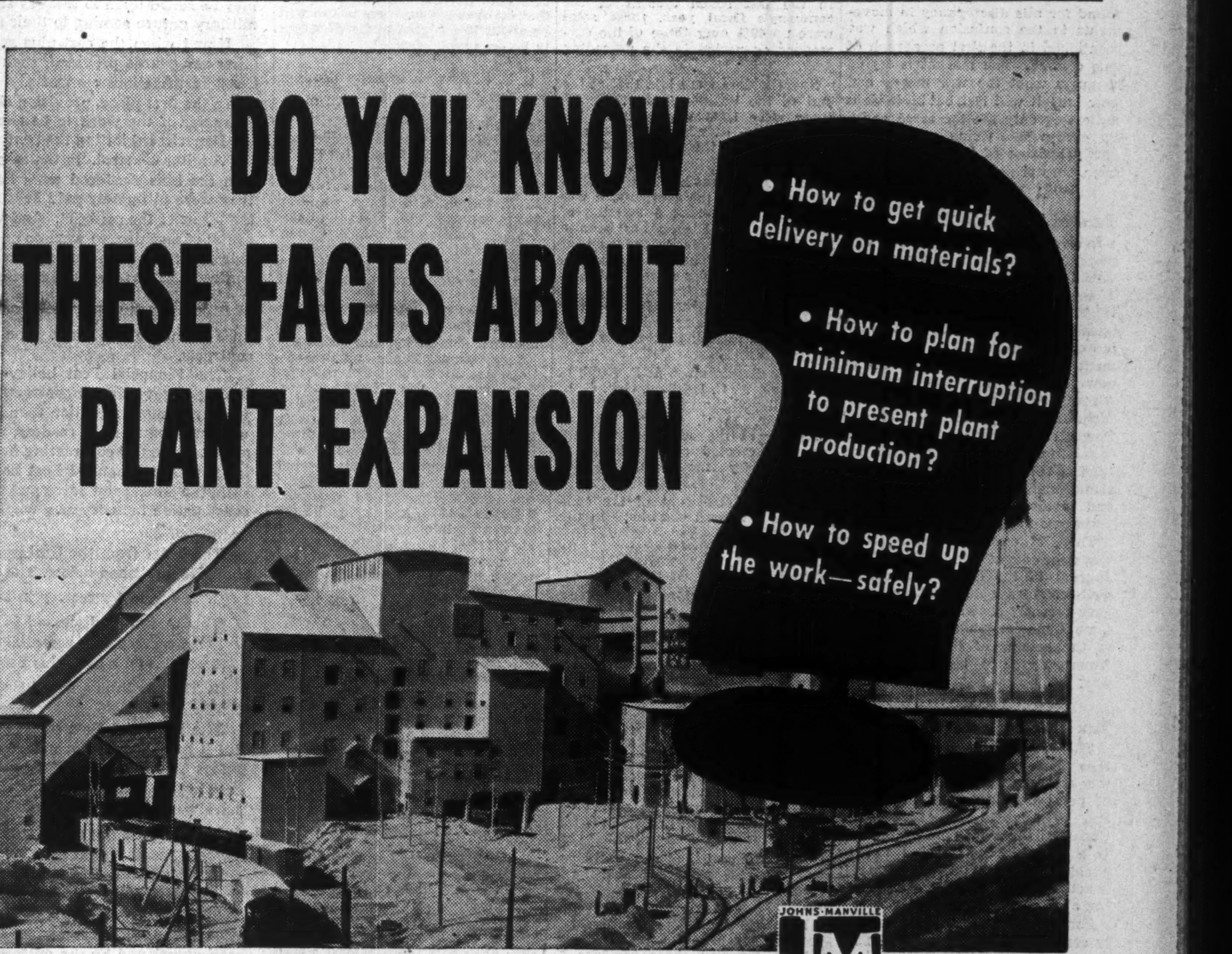
DO YOU KNOW THESE FACTS ABOUT PLANT EXPANSION
• How to get quick delivery on materials?
• How to plan for minimum interruption to present plant production?
• How to speed up the work—safely?

IF you are up against an emergency plant construction situation . . . if you must expand or modernize your present plant *in a hurry*, to keep pace with present production demands . . . take advantage of Johns-Manville building service to speed the work! This J-M service offers you three-way help:

1. QUICK DELIVERY on the wide range of Johns-Manville Industrial Roofings and Sidings, Insulating Board Products, Rock Wool Insulation, Industrial Flooring and other essential building materials. J-M not only has fully adequate manufacturing facilities, but also owns and operates the largest asbestos mine in the world (at Asbestos, Que.), controlling its own principal source of raw materials.
2. J-M ADVISORY SERVICE on construction specifications and methods —backed by 80 years of manufacturing experience—helps you to plan your over-all building or remodelling job with minimum interruption to present plant operations and production.
3. J-M's QUALITY STANDARDS—of production and application—safeguard your investment in plant expansion . . . and assure long-term future satisfaction and low maintenance, as well as time savings *now*.

Our entire, dominion-wide organization is geared to give you quick answers to your building problems—and quick action on your needs. 'Phone, wire or write your nearest Canadian Johns-Manville office today. Get the facts you want—the materials you must have—the expert engineering counsel you need—to speed the work of modernization and expansion in your plant.

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*and many other essential materials for the Factory, Mill, Shop and Office*

**Investment Trends**

# Market Speculates On Length of War

### Stocks Trying to Forecast a Short War But Expert Opinion Hints Markets May Be Wrong — Gap Between Business Activity and Stock Prices Widens

Recently a prominent investment dealer, a consulting economist and a well-known industrialist were discussing the outlook for the stock market in Canada. The investment dealer maintained that stocks have been discounting the likelihood that the war will be a short one. In his view, this accounts for failure to make any appreciable progress in recent months.

The consulting economist agreed that the market was discounting the likelihood of a short war but maintained that the market is wrong. He adds that when it becomes clear that the war is going to last longer than popularly supposed, the market will break out of the narrow trading range which it has held for the past month or two with the probability favoring a strong move on the up side. When it came to the industrialist's turn to express his opinion, he forecast that the war would end in October, 1940, while generally agreeing with the investment dealer regarding the stock market.

* * *

## Stocks and Business

The Financial Post index of Canadian business reached a new high in many months when preliminary figures for October came to 127.2, a gain of over 5 points from the preceding month and of about 12 points from Oct., 1938. Stock markets, however, show a contrary trend. The D. B. S. index of industrial stocks was at 175.8 for October, as compared with 182.7 for October, 1938, a decline of 6.9 points.

How these two indices have diverged is illustrated by the following figures:

| | Oct. | Sept. | Aug. | July |
|---|---|---|---|---|
| **1938** | | | | |
| F.P. Business Index ........ | 115.7 | 112.6 | 109.2 | 109.0 |
| D.B.S. Industrials ... | 182.7 | 162.2 | 172.8 | 175.1 |
| **1939** | | | | |
| F.P. Business Index ........ | 127.2 | 122.6 | 121.0 | 119.8 |
| D.B.S. Industrials ... | 175.8 | 168.2 | 154.3 | 159.2 |

Whereas The Financial Post business index is about 10% higher than a year ago, the stock price index was about 3% below last year's levels at the end of October. Moreover, the stock price index stood at 168.2 on Nov. 23, well below the average for October.

The explanation probably can be found for this discrepancy in movements in the confusion which was mentioned in the first paragraph of this column. The market is trying to guess what the war means and how long it will last, but business is indicating only the increased activity everywhere being experienced, partly because of the war but also from normal peacetime causes.

* * *

## Turn to Canadian Stocks

Evidence that well-informed and powerful American investors are turning again to Canadian stocks is beginning to appear. Recently a large American investment fund opened an account in Canada which is expected to result in the investment of several million dollars of new capital in this country. Already some important purchases, including a large block of Montreal Power shares, have been made. It is said, on good authority, that this fund is ready to take on important commitments in Canadian war loans and is also looking for other investments in stocks.

Then, also noted recently, there was some comment in the Wall Street Journal to the effect that certain well-informed New York investors have recently shown a fondness for some Canadian shares, in contrast to the actions of the majority of Americans since the outbreak of war.

* * *

## Tax Threats

This attitude, according to the New York paper, is largely due to the substantial upturn in business of peacetime industries in Canada and to a realization that, while Canadian taxes may be heavy, this is a tendency which will not be avoided in any country whether it is actually at war or merely preparing a defense programme.

Foreign investors would not lightly embark on a programme of buying Canadian securities under present circumstances. They realize that their capital is locked up in Canada indefinitely, although they will have no difficulty obtaining the income from these investments. If this movement spreads to any great extent, it could easily give the desired impetus to the Canadian market which has been clearly lacking in recent weeks.

## Dominion-Scottish Pays on Preference

Dominion-Scottish Investments Ltd. has declared a dividend of 50 cents a share on its 5% preference stock, payable Dec. 1, 1939, to shareholders of record Nov. 27. A similar payment was made on Sept. 1 of this year.

Arrears of dividends, after allowing for the Dec. 1 payment, will amount to $5.80 a share.

INVESTMENT SECURITIES

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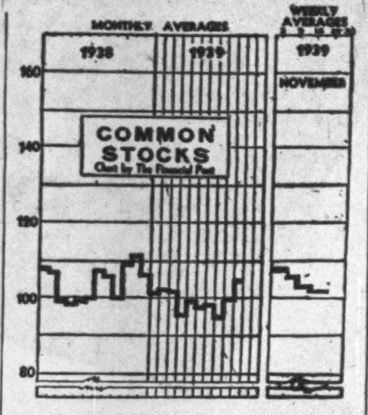

## Consumers Gas Co. Appliance Sale Up

### Col. A. L. Bishop Succeeds Thos. Bradshaw as President

Consumers' Gas Co. has been promoting the sale of gas for cooking, water heating, refrigeration and house heating, the shareholders were told at the general meeting this week. In the last seven months of the company's fiscal year, these sales were up 49% over those of the corresponding period in the preceding year.

Shareholders were told that at the end of the business year Sept. 30, there were 1,236 employees on the payroll, 76% of whom had been in the service of the company for 10 years or more.

Col. A. L. Bishop has been appointed president of the company, it was announced following a meeting of directors. Col. Bishop has been a director of Consumers' Gas for a year and replaced Thomas Bradshaw, who died Nov. 10, as president. Col. J. F. Michie remains as vice-president. The president and vice-president and F. G. Osler and C. S. Macdonald comprise the executive committee.

Other directors are A. R. Auld, L. Goldman, W. C. Laidlaw, Gen. G. H. Mitchell and the mayor of Toronto, ex-officio. E. J. Tucker, general manager of the company, fills the vacancy created on the board of directors by the death of Mr. Bradshaw.

Financial statement of the company is reviewed elsewhere in this issue.

## Bondholders Approve Can. Bakeries Plan

At the adjourned meeting of bondholders of Canadian Bakeries Ltd., they approved altering the trust deed to effect readjustment in the company's capital structure. Shareholders approved the plan at a meeting held in Calgary on Oct. 30, but lack of a quorum forced postponement of the bondholders meeting to Nov. 22.

The plan provides for elimination of arrears of dividends on the first and second preferred shares. Various stockholders will receive the following for their shares:

Each 7% preferred share will get one new 5% preferred share and three new common shares, of no par value.

Each 7% second preferred share receives seven new common shares.

Each common share receives ⅛ share of the new common stock.

Dividends on the new preferred commence Sept. 1, 1939.

## Significant Investors' Index Numbers

1926 = 100

| No. of Securities | Mach. and equip. 8 | Pulp and paper 7 | Milling 3 | Oils 4 | Textiles and clothing 10 | Food and allied prod. 12 | Beverages 7 | Bldg. mater. 15 | Power and traction 15 | Banks 8 | Total utilities 19 | Total co's. 95 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **1929-38:*** | | | | | | | | | | | | |
| High ..... | 432.5 | 113.4 | 273.4 | 423.5 | 113.5 | 197.8 | 204.6 | 281.1 | 197.6 | 131.7 | 166.0 | 189.3 |
| Low ..... | 39.2 | 3.0 | 37.7 | 87.7 | 30.8 | 78.8 | 33.8 | 44.3 | 47.1 | 63.1 | 36.9 | 43.3 |
| **1939:** | | | | | | | | | | | | |
| Jan. ..... | 129.4 | 16.9 | 79.1 | 173.5 | 52.9 | 172.9 | 126.9 | 133.3 | 57.5 | 85.2 | 42.7 | 102.9 |
| Feb. ..... | 129.4 | 16.4 | 77.6 | 175.9 | 54.3 | 175.3 | 130.4 | 133.6 | 58.2 | 85.3 | 42.9 | 104.1 |
| Mar. ..... | 126.6 | 15.1 | 79.8 | 173.9 | 57.2 | 172.5 | 127.6 | 132.9 | 62.0 | 85.1 | 44.4 | 103.7 |
| Apr. ..... | 111.1 | 11.5 | 71.4 | 162.9 | 35.1 | 169.2 | 116.9 | 119.3 | 58.9 | 83.7 | 41.9 | 96.2 |
| May ..... | 112.5 | 12.0 | 78.9 | 170.2 | 55.0 | 176.3 | 120.4 | 124.6 | 60.8 | 84.7 | 43.2 | 99.2 |
| June ..... | 114.2 | 12.4 | 77.4 | 153.2 | 56.2 | 179.2 | 124.7 | 128.8 | 60.8 | 85.0 | 43.7 | 97.0 |
| July ..... | 118.0 | 12.7 | 75.0 | 154.0 | 59.8 | 182.1 | 124.8 | 129.5 | 59.2 | 85.0 | 42.7 | 97.3 |
| Aug. ..... | 108.6 | 11.1 | 76.0 | 147.9 | 60.1 | 180.5 | 117.7 | 121.6 | 56.8 | 84.3 | 40.9 | 94.2 |
| Sept. ..... | 132.8 | 19.1 | 99.8 | 164.6 | 71.9 | 170.8 | 108.5 | 145.3 | 53.8 | 78.4 | 42.2 | 100.1 |
| Oct. ..... | 149.1 | 23.4 | 106.3 | 185.9 | 81.4 | 178.8 | 121.4 | 160.9 | 59.5 | 81.0 | 45.7 | 106.0 |
| **Weekly Figures:** | | | | | | | | | | | | |
| Nov. 2 .. | 149.1 | 25.0 | 106.2 | 187.6 | 83.6 | 179.0 | 128.3 | 162.1 | 60.5 | 83.2 | 45.8 | 107.8 |
| Nov. 9 .. | 146.5 | 23.9 | 103.3 | 184.2 | 82.6 | 172.1 | 126.6 | 161.1 | 60.4 | 83.5 | 45.4 | 105.9 |
| Nov. 16 .. | 139.3 | 22.7 | 96.3 | 169.0 | 82.8 | 174.7 | 125.5 | 156.1 | 59.2 | 84.0 | 44.4 | 102.9 |
| Nov. 23 .. | 136.3 | 21.4 | 96.9 | 168.8 | 83.1 | 175.9 | 129.3 | 152.1 | 58.7 | 84.9 | 44.0 | 102.0 |

*High and low for year from 1929 to 1938 inclusive are based on weekly figures compiled from figures issued by Dominion Bureau of Statistics.

## Shawinigan Net Shows Upturn

From Our Own Correspondent

MONTREAL. — Shawinigan Water and Power Co.'s power output for 1939 will show a relatively substantial increase over that reported in recent years. For the nine months ended Sept. 30, the total of power generated and purchased for all purposes was 4,237 million kw.h. This compares with 3,825 million kw.h. in the like period of 1938.

Reflecting improvement in output, net earnings, before depreciation and income taxes, for the nine months ended Sept. 30, amounted to $5,978,003 compared with $5,803,116 in 1938.

## Investment Notes

**C.P.R. preference**—This stock is "one of those depressed prior charges, or near-equities, which may well prove the speculator's main hope this war," says Austin Friars in an article on how to invest £5,000 in the Investors' Chronicle, London. He says he has been persistently drawing attention to this issue for some months now, but believes it is still undervalued. "If the conflict lasts as long as the Government expects, this preference issue should get full dividends and sell at at least 50," he concludes.

* * *

**Ford of Canada**—Increase of more than 20% of the company's Canadian business for November and December over the corresponding months of 1938 is already assured, according to R. M. Sale, sales manager. This is supported by orders received at the factory, says Mr. Sale, and is said to be a good showing as business in these two months last year was excellent. He anticipates even greater improvement in the first two months of 1940.

* * *

**Shawinigan** — Investor confidence in this company was well illustrated this week by the manner in which the notes were subscribed. The issue was oversold before the day of public offering and has since sold at a premium.

**Asbestos Corp.**—When present contracts expire at the end of the year, the company will quote only on a short-term basis, not over four months. Moreover, payment will be asked in American funds which should net the company a fair increase in revenue as translated in Canadian dollars. Expectations are that on overseas business prices will be about 10% higher and will largely be on a spot basis.

* * *

**S. E. C. data** on security dealings contains the following of Canadian interest:

**Distillers Corp.-Seagrams** — J. E. Friel, director, increased common share holdings by 50 shares to 1,001.

**Fanny Farmer**—J. F. Burk, officer, increased 50 shares to 525. E. E. Fairchild, director, acquired 100 in January, 1939, and 30 in September, holding 130. J. P. Hogan, officer and director, acquired 400 in October, 1935, 200 in April, 1936, and 20 in August, 1939, holding 720 shares.

**Granby Consolidated** — B. E. Perks, officer, bought and sold 100 common shares, holding 100.

**International Paper and Power**—Bessemer Investment Co., as beneficial owner, holds 174,222 common, decreased $5 preferred by 2,000 to 44,615 and holds 188,822 warrants for common. Ogden Phipps, director, holds 470 common and 30 warrants for common shares; through a holding company holds 174,222 common, decreased $5 preferred 2,000 to 44,615 and holds 188,822 warrants for common (proportionate interest in the holding company not shown); through trust fund in which his proportionate interest is not shown, holds 1,980 common and 1,100 $5 preferred.

## Dunlop Tire Initiates Common Dividend at 50c

Dunlop Tire & Rubber Goods Co. has declared an initial dividend of 50 cents a share on its present common stock, payable Dec. 29, 1939, to shareholders of record Dec. 15. This payment covers the year 1939. All of the common stock is held by Dunlop Rubber Co. of Great Britain and Canadian Industries Ltd.

The company is also paying the regular half-yearly dividend of 2½% on its 1st preference stock on Dec. 31 to shareholders of record Dec. 15.

Declaration of the common dividend is taken to indicate that operations for the company this year have been on a scale at least closely comparable with 1938 results, when 88 cents a share was earned on the common.

**Toronto Stock Exchange Index**

| | 20 Indus. | 20 Golds | 10 B.M. | 15 W.O. |
|---|---|---|---|---|
| Nov. 28 ...... | 123.19 | 117.07 | 86.95 | 29.73 |
| Nov. 27 ...... | 123.15 | 117.20 | 86.89 | 30.03 |
| Nov. 25 ...... | 123.47 | 117.16 | 86.71 | 30.41 |
| Nov. 24 ...... | 123.29 | 116.87 | 86.74 | 30.49 |
| Nov. 23 ...... | 122.86 | 116.83 | 86.67 | 30.62 |
| Nov. 22 ...... | 122.05 | 116.66 | 86.48 | 29.95 |
| Month ago .. | 127.09 | 113.53 | 91.17 | 33.43 |
| Year ago .... | 121.72 | 120.75 | 96.99 | 28.86 |
| High, 1939 ... | 129.85 | 128.95 | 104.12 | 45.00 |
| Low, 1939 .... | 97.75 | 100.35 | 79.59 | 21.07 |

**Montreal Stock Exchange Averages**

| | 10 Util. | 20 Ind. | 30 Cbd. | 10 Pprs. | 15 Golds |
|---|---|---|---|---|---|
| Nov. 28 .... | 66.6 | 87.2 | 80.3 | 125.37 | 97.12 |
| Nov. 27 .... | 66.6 | 86.8 | 80.1 | 126.66 | 96.51 |
| Nov. 25 .... | 66.0 | 86.9 | 79.9 | 127.33 | 96.30 |
| Nov. 24 .... | 65.7 | 86.4 | 79.5 | 126.24 | 96.58 |
| Nov. 23 .... | 65.6 | 86.2 | 79.3 | 126.44 | 97.80 |
| Nov. 22 .... | 65.5 | 85.0 | 78.5 | 121.92 | 98.71 |
| Month ago . | 66.3 | 92.1 | 83.5 | 145.88 | 99.91 |
| Year ago .. | 65.4 | 80.7 | 75.6 | 112.60 | 121.38 |
| High, 1939 . | 70.1 | 93.8 | 84.9 | 155.52 | 126.48 |
| Low, 1939 .. | 55.9 | 63.2 | 62.7 | 50.78 | 86.66 |

# Tenders are Best Even in Wartime

(Continued from page 1)

that might be found advantageous could be made as the work progressed.

6. The cost-plus method shortened the time between authorization of the work and commencement of the work, as the time taken up in the calling for tenders was eliminated.

7. The cost-plus method was the most economical method. If tenders were sought the bids would be high, as the contractors would protect themselves against unknown factors.

8. The cost-plus method enabled the Department to exercise complete control over the type and quality of materials.

9. The cost-plus method guaranteed complete control over the speed with which the work was pushed.

10. The cost-plus method guaranteed full control over the method of construction.

* * *

Maclean's made a number of pertinent comments on the Department's statement.

As respects the need for secrecy it points out that the contract for one West Coast fortification was awarded on the basis of competitive tenders. "If use of a selected contractor is necessary to ensure secrecy, why were tenders called in this case?" Maclean's asks.

As respects the urgency of getting the work done, Maclean's comments: "In view of the fact that these contracts were awarded over a period of three years, it could scarcely be said that the time involved in the calling for tenders should be a decisive factor."

Maclean's concluded its comment by saying:

"Many of the points cited above could be taken care of with proper supervision of contracts awarded by tender.

"If the nature of the operation, or any other reason, made the use of a 'selected' contractor advisable, all ten of the points raised could have been met had the contracts been awarded on the basis of cost plus a fixed fee. Use of the cost-plus-percentage basis means that profits go up as costs go up. There is no incentive to keep costs down. Where the profit fee is fixed, however, the contractors' percentage return goes down as costs go up. The incentive in this case, therefore, operates to keep costs down.

"Use of a 'selected' contractor on any basis still leaves the way open for the awarding of contracts on the basis of political or personal favoritism."

* * *

After having studied the Department's 10 points, the average businessman or taxpayer is likely to feel—as The Financial Post feels—that the arguments for cost-plus contracts in public business are far outweighed by the advantages to be obtained from the system of calling for competitive bids.

Cost-plus contracts may be desirable in private business. But in such cases the buyers are spending their own money. They are not spending the public's money or acting as trustees for the public. Even in private business, a fixed fee is usually preferred to a commission.

In the case of a reputable contracting firm, that has been in business a long time and hopes to stay in business for a long time, the "loading" of costs would be a most reprehensible practice. Yet it must be apparent that in those cases where contractors are selected on a basis of political or personal relationship, the public is bound to feel it is given insufficient protection from inefficient or extravagant operations.

The Financial Post feels that the secrecy element in contracts for fortifications has been overplayed. Only contractors of the highest standing should be permitted to bid on such contracts. Such firms may be relied upon to treat as entirely confidential information of a military nature coming to their attention.

If and when the cost-plus system is used, then there should be other safeguards provided, such as were not provided in the West Coast fortifications contracts.

In the first place, provision should be made for the costs and the character of the work to be checked by inspectors not attached to the Department letting the contract. Bills are, of course, checked by the Auditor General. In the case of certain of the contracts in question the bills rendered were held up by the Auditor General but they were ultimately paid because the bills were apparently within the terms of the contract. And yet the particular terms (relating to rental of machinery) were so unusual that the Government is reconsidering the entire basis of rentals for machinery used on such contracts. The powers of the Auditor General to pass on such contracts and the bills ultimately rendered for them would seem to be distinctly limited. His job is only to see that the bills are in accordance with the contracts. The contracts themselves may be bad contracts.

The Financial Post believes that this whole question of the letting of government contracts for construction work is one that is worthy of more attention than it has had from the public. It would welcome comment of readers, whether in the construction industry or not. Views of contracting firms would be particularly welcomed because The Financial Post has a high regard for the engineering skill, the ethical standards and the progressive ideas of the Canadian construction industry as a whole.

* * *

The letter from the Builders' Exchange of Montreal, referred to above, is published below. The letter makes several points:

1. The need for secrecy in awarding defense contracts.

This matter is discussed in the editorial comments above. The fact that secrecy was essential or was observed in the Pacific coast contracts let on a cost-plus basis has not been established.

2. That the firms selected for the West Coast jobs were efficient and experienced.

The Financial Post said nothing of their ability or experience. But it gave some information regarding the personnel of the companies that is not without public interest.

3. That the remuneration rate (5%) was not excessive and could not have "resulted in fat profits."

The Post did not say that the rate was excessive and did not say it would result "in fat profits."

4. That insufficient information is availale to discuss the fairness of the machinery rentals provided for.

This clearly dodges the facts. The Post's article gave specific information. It has since revealed that payments of the rentals had been questioned by the officers of M.D. 11, by the Auditor General and by the chairman of the Defense Purchasing Board. It has further revealed that the basis of rentals is now under review by authorities at Ottawa.

Another spokesman for the construction industry informed The Financial Post that he regarded the basis of rental charges as unprecedented. He did not think any company would take advantage of such a clause to charge rentals on such a basis. Why, he asked, did we suggest rentals could possibly be paid on such a basis? Well, not only were the rentals charged, they were paid.

5. That under the system of calling for public tenders there is danger of work going to firms unfitted for the job.

The Financial Post has never suggested that ill-equipped, inexperienced firms, submitting the lowest tender on any job, should get the contract. It has in this very series of articles exposed one contract awarded by tender to a firm that had no plant and no experience.

6. That The Financial Post is "none too well disposed toward the construction industry."

The Post would be glad to have the evidence upon which any such comment is based. The best friends of the construction industry are those who are anxious to have the relations of the Government with individual contractors placed on the soundest possible basis.

The Financial Post cannot feel that the interests of the industry are well served by a letter that grossly misquotes an article in order to "reply" to it.

* * *

The letter from the Montreal Builders' Exchange follows:

Editor, The Financial Post:

In your issue of the 28th of October, 1939, there appears an article under the caption, "Three Firms Given 16 Contracts." It deals with the practice adopted by the Department of National Defense of the Dominion Government of awarding contracts on a cost-plus basis and, inferentially, complains that too many considerable contracts have been awarded to three firms operating on the Pacific coast. The article attacks the cost-plus system and the percentage allowed to offset rentals of tools, machinery and equipment utilized by the contractors in the execution of the contracts. The article further alleges favoritism on the part of the Minister of Defense in the award of certain of the contracts referred to.

This Exchange is very much concerned with the publicity attending the charges made and the possibility that uninformed persons may make or have made wrong conclusions as a consequence. While none of its members is to be found among the three contracting firms engaged by the Department of National Defense, nevertheless, the Exchange is interested in the principle and practice attacked in your editorial.

The operations carried out by the contracting firms mentioned involved a question of national interest of a military nature, and therefore secrecy became an essential factor on the part of everybody concerned. The obligation to secrecy being present, it was obviously the duty of the Government, in making provision for the execution of the operations, not to invite competitive tenders which would involve publicity and disclosure of the nature of the operations, their site and their cost. For another important and sufficient reason, the Department, it appears to this Exchange, could not submit these defense undertakings to public tender. If the competitive tender method were used, the presumption would follow that the contracts would be awarded to the firms submitting the lowest tender which is the usual procedure in such cases. However, it is well known that many firms which lack both engineering and technical contracting experience, and also the necessary financial resources, tender for the execution of Government contracts, and, unfortunately, pursuing the common practice, the Government awards such contracts to them, without even superficial investigation as to their capacity to do the work contemplated or to finance the operations in the customary way. In the present cases, however, the Government could not afford to run the risk of having to award the contracts to firms lacking the requisite engineering and practical experience. Therefore, the Department adopted the only possible alternative, namely, that of awarding the contracts to firms known to be capable of completing the operations efficiently and satisfactorily.

This Exchange disagrees pointedly with your innuendo that, as a result of the method adopted by the Government, the operations resulted in greater expense to the country than otherwise would have been the case. Under the circumstances, this Exchange considers that no other course was open to the Government, although possibly a larger selection of firms capable of executing the works could have been chosen from other parts of Canada.

It is believed that the firms entrusted with the operations were the most efficient on the Pacific coast and possessed all the necessary experience for works of this nature.

Respecting the charge that the remuneration allowed the contractors on these operations (5%) was excessive and resulted in fat profits, it is respectfully but firmly asserted that the rate mentioned is, on the contrary, too low, as long practical knowledge and experience have demonstrated.

With reference to the allegation that excessive allowances were granted for rental of machinery and equipment, this Exchange considers that the attendant circumstances must be known before any conclusion can be made. Machinery and equipment necessary for the execution of certain works may last for years without reaching a state of disrepair which would involve heavy expense for restoration. However, depending entirely upon the nature of the operations, machinery and equipment can very speedily become worn out and become incapable of further use—within a very brief period of time, months, not to mention years. The nature of the work determines the length of time which equipment will last in daily operation. It must, therefore, be obvious that before entering into a generalization as to whether the percentage allowed on the rental of equipment was excessive or not, the full conditions must be known. Positive information by your correspondent being lacking in this respect, he was not in a position to criticize the allowance, which may, indeed, have been only reasonable.

This Exchange agrees of course that, in the emergency in which the country finds itself at the present time, there should be no favoritism in the award of contracts. The national interest demands more respectable practice.

However, when attacks are made upon methods which are usual in the construction industry and which are common in private undertakings as well as on governmental projects, it is necessary to be informed before hastily concluding that iniquity stalks abroad and that the national interest is being sacrificed.

In conclusion, while it would appear that The Financial Post is none too well disposed toward the Construction Industry, in view of the importance of the subject under discussion it is requested that this letter be published in full in an early issue, and in equally prominent position.

P. A. PATERSON,
Secretary-Treasurer,
The Builders' Exchange.
Montreal, Canada.

Canada—The Empire's Granary

—356,000,000 Bushels of Wheat
Now in Store

Canada's 1939 grain crop, the best since 1928, has filled Canadian grain elevators, and earnings of elevator companies are consequently expanding.

Alberta Pacific Grain Company, Limited, with 2 terminal and 361 country elevators, is well situated to benefit by the improved conditions.

Alberta Pacific Grain Company, Limited
6% First Mortgage Bonds
Due June 1st, 1946
Price: 100 and interest, to yield 6%

Mail enquiries receive prompt attention.

36 King St. West
Toronto
Telephone EL. 4321

Wood, Gundy & Company
Limited

## Canadian Westinghouse Maintains 37½c Rate

Canadian Westinghouse Company has maintained dividends at the reduced rate first announced last October. A dividend of 37½ cents a share has been declared on the common stock, payable Jan. 1, 1940, to shareholders of record Dec. 20. This will bring payments for the full year to $1.75 a share as compared with $2 per share paid for 1938.

EMPLOYERS
Who Need Office Help

Try the Shaw School service—no charge to you or to the applicant. State requirements and get just the person you want. Ring Employment Bureau, KI. 3165.

SHAW SCHOOLS

Personal TRUST BUSINESS is Private business

IT is only human nature to wish to keep one's personal financial affairs private. When you deal with this Trust Institution we protect your wishes in this respect.

Whatever information you give our Trust Officer in discussing an executorship or trusteeship is held confidential.

Many people who prefer not to have their bequests publicized, leave money through Living Trusts which can pass to beneficiaries direct without probate proceedings.

*We shall be glad to arrange for a private conference about your financial affairs, either in your place of business or at your home.*

Crown Trust Company

Executors — Trustees — Financial Agents
Montreal Toronto

CHALLENGING STATEMENTS ABOUT
*THE NEW* 1940 GOOD RICH
"GOLD STAR" GASOLINE

We say plainly that the New 1940 GOOD RICH "GOLD STAR" Gasoline EQUALS OR EXCELS higher-priced gasolines for all-round efficiency.

—For anti-knock quality, for power, for mileage and for quicker starting.

Yet we charge only 15 8/10 c a gallon plus tax. CONSIDER THE SAVING. Get a tankful. You'll be enthusiastic about it.

*Test it—Judge it for yourself*

"BLUE STAR" 13 8/10 ¢ A GALLON PLUS TAX
CONTAINS TETRAETHYL LEAD
"GOLD STAR" 15 8/10 ¢ A GALLON PLUS TAX

GOOD RICH OIL COMPANY
*Canada's Largest Independent Oil Refinery*

Master Stations in Toronto
419 Eglinton West
1116 Bathurst, at Dupont
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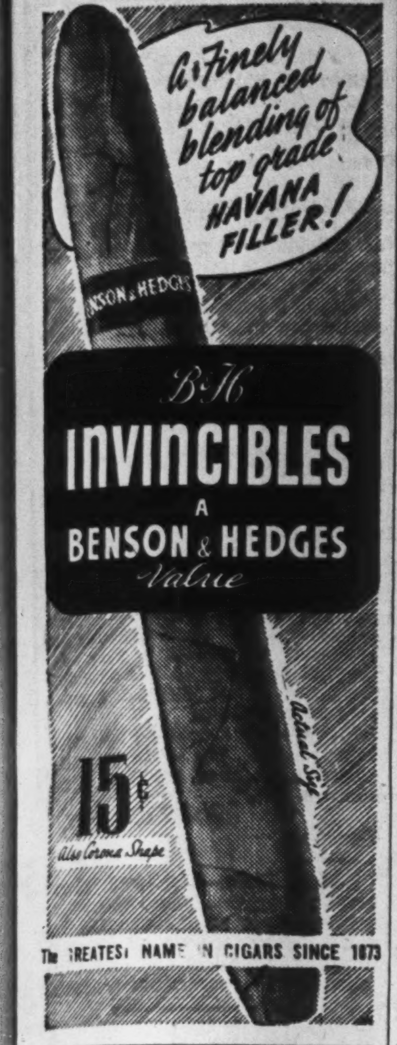
2004 Dundas St. West
2376 Dundas St. West
4020 Dundas St. West at Lambton Bridge
1376 Bloor St. West
715 Bay St., cor. Gerrard
153 Dundas St. West
Spadina Ave., cor. Dundas
305 Sherbourne St.
96 Shuter, cor. Jarvis
399 Front E., cor. Cherry
3565 Danforth at Warden

Company Stations at Windsor, Hamilton, Guelph, Acton, Brampton, Stratford, Welland, Whitby, Oshawa, Trenton, Belleville, Picton, Kingston and Sudbury. Also at dealers throughout the Province.


A Finely balanced blending of top grade HAVANA FILLER!
BENSON & HEDGES
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BENSON & HEDGES
Value
15¢
Also Corona Shape
Actual Size
The GREATEST NAME IN CIGARS SINCE 1873

## Classified Advertisements

Classified ads. cost 4c. per word and figure for each insertion. Minimum ad., $1.75. Three insertions for the price of two. Add five words when box number is required. Classified ads. payable in advance.

### Position Wanted

SENIOR DRAUGHTSMAN. SUPERVISOR. Twenty years experience. Specialist in draughting and manufacturing details. Thorough knowledge of Engineering, Purchasing, Stores, Production, Planning and Factory problems. Familiar with welding. Am at present and have been continuously employed. Desire position as Chief Draughtsman or one leading to Production Manager. Box 222, The Financial Post, Toronto.

### Able Executive

ACCOUNTANT—MANAGER TRADER, fully qualified, desires position of trust and responsibility. Wide experience, including twelve years with reputable bond house. Age 41, married, highest references. Willing to go out of town. Box 215, The Financial Post, Toronto.

### Agency Wanted

EXPERIENCED SALESMAN WITH excellent connections and wide acquaintances in Western Ontario desires agency for good stable products to sell business and professional men, stores, offices or industry. Apply C. W. Porter, Corunna, Ontario.

### Chartered Accountant

AGE 33, CAPABLE AND EFFICIENT, desires position with financial or commercial organization. At present in responsible position with firm of chartered accountants, but opportunity with good future prospects in progressive business is now desired. Box 213, The Financial Post, Toronto.

### Sales Executive

WIDELY EXPERIENCED SALES AND general manager, thoroughly conversant with import and export fields; energetic organizer, able to train and supervise staff; expert knowledge of efficiency methods, cost accounting, statistics. Speaks four languages, including French, German, Spanish. Age 37. Excellent documentary record. Box 250, The Financial Post.

### Stock Broker

YOUNG MAN WITH FINE RECORD seeks new connection. Wishes to contact brokerage firm that will use ability and knowledge to fullest extent thereby insuring good future. Expert on Stock Exchange floor trading and arbitrage. Capable office manager. Experience includes work with trust company and reputable bond house. Highest references. Box 217, The Financial Post, Toronto.

### Maritimes Representative

EXPERIENCED SALES PRODUCER desires to contact financial house with a view to sales representation in the maritime provinces; possesses thorough knowledge of that field, where he resides and where he is well known and enjoys a wide acquaintance in business and club circles. Excellent references. Box 220, The Financial Post, Toronto.

### Chartered Accountant Available

CHARTERED ACCOUNTANT, WITH twelve years experience, thirty years of age, married, wishes a position with a commercial concern in Ontario or Quebec. Good references. Write Box 223, The Financial Post, Toronto.

### Request for Tenders

Public notice is hereby given by the Corporation of the Saint George Sanatorium, Mont-Joli, Que., that the said Corporation shall receive until December 20th, at two o'clock p.m., at the office of the undersigned, tenders for the purchase of an issue of bonds of "Le Sanatorium Saint-Georges de Mont-Joli," in the total amount of $100,000.00.

The said bonds are dated April 1st, 1939 and mature in series over a period of twenty years from the said date of April 1st, 1939, and bear interest at the rate of 3½ per cent payable semi-annually. Capital and interest are payable at the offices of La Banque Canadienne Nationale in the cities of Montreal, Quebec or Mont-Joli, or at the offices of the Bank of Montreal in the City of Toronto. Bonds are issued in $100, $500 and $1,000 denominations.

That issue of bonds in the amount of $100,000.00 in lawful money of Canada is fully guaranteed by a Deed of Trust signed by Le Sanatorium Saint-Georges in favour of the General Trust of Canada, pledging and transferring to the said Trust all rights of the Corporation to the privileges of the Order-in-Council No. 694 approved by the Lieutenant-Governor on the 25th day of April, 1939, by which the Government of the Province of Quebec promises to pay in accordance with the Charities Act the interest at 3½% and the sinking funds of this issue of $100,000.00 during a period of 20 years.

The said issue is therefore fully subsidized by the Provincial Government of Quebec, as per the above Order-in-Council.

All tenders must be sealed and endorsed: "Tenders for Bonds," and addressed to the undersigned at Le Sanatorium Saint-Georges, Mont-Joli, Que. Accrued interest will be charged at the date of delivery by the General Trust of Canada, in Quebec.

To each tender shall be attached a certified cheque in a sum equal to one per cent of the issue.

The schedule of maturities and all other information will be given on request.

The Corporation does not take the engagement of accepting the highest or any of the tenders, and all acceptation is subject to the approval of the Hon. Treasurer of the Province of Quebec.

Dated in Mont-Joli the 25th day of November, 1939.

Geo. H. de Champlain, Sec. Treas.

**Bond Markets**

## Bond Investors Wait For War Signals

### Only Features of Week Are Municipal Financing and Clearing Up of Defaulted Debt Situations in Toronto Area

During the past four weeks Canadian bond markets have been marking time, awaiting a new phase or development in the Second World War. After recovery from the initial shock of conflict, activity has come to an impasse, in which it appears destined to remain until some meagre indication emerges from the uncertainty as to what investors may expect from the "bore war."

High grade obligations have recovered approximately one half of their war losses and now appear to have reached a point where the market feels is warranted by the circumstances.

A large Dominion issue, which is expected for the not distant future, might provide the answer to a number of questions as to what course interest rates will follow in war.

The present week brought forth one new development. Industrial liens of all shades remained at a virtual standstill. The featureless trading in all probability reflected the circumspect outlook of stock investors adopted for the time being.

• • •

### Shawinigan Offers Notes

The largest piece of industrial financing for some time was undertaken by Shawinigan Water & Power, which is offering to the public $6 millions of 3½%, seven-year collateral trust notes. There is a conversion privilege attached to the notes.

Bondholders of two other companies have adjustments in capital structure before them to consider. There is the plan of Mercury Mills Ltd. to reorganize its capital structure and an offering to bondholders of Sterling Coal Co. to issue new bonds for the 6% 30-year issue, which mature on January 1.

There is $480,000 of the bonds outstanding and H. G. Ratcliffe, secretary of Sterling Coal, states that holders of $200,000 in principal amount of the outstanding bonds have signified their approval of the scheme.

• • •

### Sterling Coal Offer

Issued in 1910 the bonds have been reduced from $1,750,000 to the amount now outstanding, $480,000. The bonds are payable in three currencies, while the new issue will be payable in Canadian funds only. To compensate for this concession on the part of bondholders, the company points out that it is maintaining the coupon rate on the present bonds of 6%. At current interest rates this is a high interest rate.

In recent years the company has earned bond interest by a fair margin and since 1936 it has been building up surplus. In reality the issue of new bonds is only an extension of the present maturity of the bonds for five years, and under the circumstances appears to be both feasible and fair to bondholders.

• • •

### Mercury Reorganization

Mercury Mills Ltd. is offering its 5½% first mortgage bondholders an exchange of new 5% bonds on the basis of $600 of new bonds for every $1,000 face value of present bonds and 30 new shares for every $1,000 principal amount of bonds.

The bondholders by virtue of this proposed exchange would be given control of the company. This company's earnings over the past nine years have been unsatisfactory, but bond interest has been maintained by reduction of depreciation allowances. Sinking fund on the first mortgage bonds has not been paid for many years.

Recently operations of the organization have been proceeding much more satisfactorily. It remains, however, for the company to exhibit any marked earning power. If it does the bondholders would benefit from their equity holdings if the proposal is adopted.

• • •

### Toronto Area Defaults

The task of the Ontario Department of Municipal Affairs in clearing up default situations in the province is appreciably nearer completion.

Of the $104 millions of debt defaulted approximately $90 millions has now been refunded, Hon. Eric Cross, Minister of Municipal Affairs, told a municipal school at the University of Toronto this week.

In the past week negotiations between bondholders and the municipalities of York Township, East York Township and Scarborough Township were terminated satisfactorily. Now all that remains to bring these municipalities out of the defaulted list is approval of the Ontario Municipal Board and consent of two thirds of the bondholders to the plan. Approximately $28 millions of debt was involved in these three arrangements.

• • •

### Bond Index

DOMINION OF CANADA
Long-term Bond Index

| | Latest week Nov. 17-23 | Preceding week Nov. 10-16 | Weekly average year ago |
|---|---|---|---|
| Price | 113.2 | 112.7 | 118.0 |
| Yield | 69.1 | 69.6 | 61.3 |

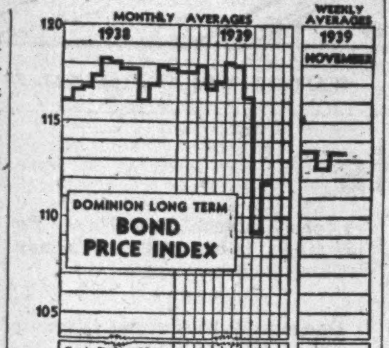
## Anglo-Canadian Drugs Bondholders to Meet

Bondholders of Anglo-Canadian Drugs Ltd. will meet Dec. 4 at the St. Catharines, Ont., office of the receiver and manager, Premier Trust Co.

A report will be presented by the receiver on the company's operations since passing into receivership, and a committee will be appointed by bondholders to consider reorganization proposals.

### SIMARD JOINS ALGOMA

Joseph Simard, Sorel, Quebec, has been elected a director of Algoma Steel Co., it is announced.



## Burns Cutting Previous Loss

### Fall Upturn Places Company in More Favorable Position

Because of a sharp upturn in business in recent weeks, Burns & Co. is rapidly reducing losses incurred in the first half of the year, The Financial Post is informed.

Improved domestic conditions and higher prices for its products enabled the company to show earnings available for bond interest and depreciation of $26,000 in the four weeks ended Sept. 7. This figure rose to $140,921 in the four weeks ended Oct. 5 and $145,000 in the four weeks ended Nov. 2.

In September and October profits were realized on the increased value of inventories, but trading profits were also substantially higher than in recent years.

As a result of these improved earnings, deficit for the year, after bond interest and depreciation has been reduced from $639,000 at Sept. 7 to $455,000 at Nov. 2. Nor do these figures take into consideration the marked improvement shown by the company's subsidiaries, Palm Dairies Ltd. and Consolidated Fruit Co. If earnings for November and December hold to levels of the preceding two months, there would still be some deficiency, though a smaller one, after allowing for bond charges and depreciation.

Prospects for business in the balance of the year remain favorable, with a good export demand in sight. There is some modification of expected price and demand from Great Britain and Canadian packers will tend to receive smaller profit margins on their products because of higher costs in Canada and depreciation in the pound sterling.

In the past few years, packers have been adversely affected by the lack of hogs for processing. There is evidence that this shortage is now being adjusted.

## 'Peg Electric Bonds Placed

### Saving Will Result from Retiring Old 4½% Issue

From Our Own Correspondent

MONTREAL.—Nesbitt, Thomson & Co. have underwritten and placed privately with insurance companies $3.5 millions of Winnipeg Electric Co. first series, 3% first mortgage bonds at par and accrued interest.

Proceeds will be used by the company to cover redemption of the presently outstanding 4½% first mortgage bonds, amounting to $3.5 millions. The old issue is callable at 102½.

The new bonds will be dated Jan. 2, 1940, and will run for 20 years. They are payable as to principal and interest in Canadian funds only.

In the prospectus issued in connection with the refunding operation, average annual net earnings of Winnipeg Electric after depreciation, taxes, and other deductions, for the 4 years and 9 months ended Sept. 30, 1939, are given at $1,705,861, which is equal to nearly 14 times earnings on the new first mortgage bonds.

## St. Catherine Improvement Meet Deferred to Dec. 21

From Our Own Correspondent

MONTREAL.—Failure to secure a quorum has caused the postponement of the meeting of the bondholders of St. Catherine Improvement Co. to December 21.

The bondholders were called for the purpose of considering a plan providing for administration of property by a trust company for the maximum period of three years and for suspension of interest or principal to bondholders until terms of lease were fully met. Representations are to be made by bondholders to holder of property lease to facilitate an early and final settlement of the company's affairs.

Net loss for the quarter ended Oct. 31, 1939, was reported at $8,840.

In order to pass upon the plan it is necessary to have 51% representation. Represented at the meeting were $61,300 of $185,800 bonds outstanding.

## Interim Plans Are Presented

### Sandwich West and LaSalle Five-year Arrangements Ready

Debenture holders of LaSalle and Sandwich Townships, Ont., have received details of a five-year interim plan for resuming interest payments on the municipalities' obligations. When consent of two-thirds of the bondholders has been received application will be made to the Ontario Municipal Board for ratification of the arrangement.

The Ontario Department of Municipal Affairs, the town, its fiscal agent and debenture holders' committees have evolved the plan, which in the case of LaSalle provides that interest arrears will be calculated as follows:

On debentures maturing on or prior to Dec. 31, 1939, interest to be computed at contract rates to maturity and thereafter at 4½%, and at contract rates after Jan. 1, 1940. Interest claims are to be satisfied by payment of 18½% of arrears so calculated.

### Arrears Settlement

Interest on debentures except those maturing after Dec. 31, 1944, will be paid for the five-year period to Dec. 31, 1944, at ¾ of 1% in full satisfaction of claims. A similar payment will be made on debentures maturing after Dec. 31, 1944, for the five-year period, but not of interest accruing in 1944 on coupons maturing in 1945.

The town will be called upon to provide a minimum amount for this debt service. Any balance will apply to purchasing debentures on the open market at a price not greater than par.

The plan for Sandwich West is identical in principle, except that cash payment of 9% of interest will be paid in settlement of arrears. Interest will be paid on debentures during the five-year period at the rate of ½ of 1% annually.

## Cawthra Bondholders Take Cash Settlement

The 6% 15-year first mortgage bondholders of Cawthra Apartments have approved acceptance of sale of the $212,500 isue for $159,375 in cash. This cash settlement is equal to 75 cents on the $1, which distribution will be made to bondholders.

Sun Life Assurance Co. of Canada has offered a first mortgage loan on the property of $170,000, bearing interest at 5%, and providing for annual reductions in principal. Annual fixed charges will thereby be reduced to about $8,500 from $12,750 in the first year.

## Bond Sales

### Village of Swansea, Ont.

Harris-Ramsay & Co. have purchased $12,800 of 3½% 15-installment debentures of Swansea, Ont., at 100.01. Bonds are dated Dec. 1, 1939. Proceeds are to finance construction of pumping stations. Bids submitted are as follows:

| | |
|---|---|
| Harris, Ramsay & Co. | 100.01 |
| Dyment, Anderson & Co. | 99.45 |
| R. A. Daly & Co. | 99.20 |
| F. H. Deacon & Co. | 98.315 |
| J. H. Crang & Co. | 98.00 |
| Burns Bros. & Denton | 97.89 |
| Dominion Securities Corp. | 97.25 |
| Bell, Gouinlock & Co. | 96.50 |
| Cochran, Murray & Co. | 94.855 |

* * *

### St. Hyacinthe, Que.

St. Hyacinthe, Que. has sold $410,000 of 3½% 30-year serial debentures to a syndicate composed of Burns Bros. & Denton, Fairclough & Co. and Royal Bank at 94.11, representing a cost basis to the city of 3.93%.

Bids were submitted on a 3½% and 4% coupon rate, as follows:

| | |
|---|---|
| Burns Bros. | 94.11 |
| Fairclough & Co. | 100.226 |
| Royal Bank | |
| Wood, Gundy & Co. | 93.30 |
| Rene T. Leclerc | 100.14 |
| L. C. Beaubien & Co. | |
| Dominion Securities | 93.28 |
| A. E. Ames & Co. | 99.62 |
| Dyment, Anderson & Co. | 92.70 |
| | 99.01 |
| Mills, Spence & Co. | 91.34 |
| Savard, Hodgson & Co. | 97.575 |
| Bank Can. Nationale | |
| Bell, Gouinlock & Co. (4's) | 99.15 |
| Hanson Bros. Inc. (4's) | 98.78 |

* * *

### County of Halton, Ont.

County of Halton, Ont., has sold $14,000 of 3% 5-installment debentures to Fairclough & Co. at 100.43. Bonds are dated Dec. 20, 1939, and proceeds will be used for road construction. Following is list of bids submitted:

| | Bid |
|---|---|
| Fairclough & Co. | 100.43 |
| Bank of Nova Scotia | 100.08 |
| Wood, Gundy & Co. | 99.90 |
| Dominion Securities Corp. | 99.817 |
| Harris, Ramsay & Co. | 99.767 |
| R. A. Daly & Co. | 99.52 |
| Harrison & Co. | 99.505 |
| J. L. Graham & Co. | 99.325 |
| Dyment, Anderson & Co. | 99.13 |
| Royal Securities Corp. | 99.11 |
| Frank L. Craig | 99.00 |
| Bank of Toronto | 98.58 |
| Burns Bros. & Denton | 98.39 |
| Hanson Bros. Inc. | 98.19 |

## Bond Tenders

**7 p.m., Dec. 2, Sch. Mun. of Sayabec, P.Q.**—$34,500, 4%, dated Nov. 1, 1939, redeemable serially Nov. 1, 1940 to 1949. J. A. Ross, sec.-treas.

**4 p.m., Dec. 4, Kitchener, Ont.**—$43,000, as follows: $11,000, 2%, 5-instal.; $22,500, 2¾%, 10 instal.; $9,500, 2%, 5-instal. debentures. L. M. Dahmer, treas.

**Dec. 5, Prince Edward Island**—$320,000, 3½%, maturing 1948.

**Dec. 7, Barrie, Ont.**—$80,000, 4%, 15-year installment debentures.

**12 noon, Nov. 30, Canada Treasury Bills**—$25,000,000, dated Dec. 1, maturing Mar. 1, 1940.

**8 p.m., Dec. 11, Granby, P.Q.**—$90,000, 4%, dated Dec. 15, 1939, redeemable serially in 30 years. A. Montfils, sec.-treas.

**2 p.m., Dec. 20, Corp. of Saint George Sanatorium, Mont-Joli, Que.** — $100,000, 3½%, dated Apr. 1, 1939, maturing in series over a period of 20 years. G. H. de Champlain, sec.-treas. (See announcement on page 5.)

## Bond Redemptions

| Bond Issues: | Rate | Year | Due | Price |
|---|---|---|---|---|
| Robt. Simpson .. | *5% | 1952 | Jan. 1 '40 | 105 |
| Riordon Pulp ... | *6% | 1942 | Dec. 31 | 105 |
| Eastern Car ... | ‡6% | 1952 | Jan. 1 | 105 |
| Preston E. Dome | 6% | 1943 | Jan. 1 | 103 |
| Can. Foundries .. | 6% | 1942 | Feb. 2 | 110 |
| Mississippi R. Pr. | †5% | 1951 | Jan. 1 | 105 |
| Porto Rico Tel. | •6% | 1944 | Dec. 1 | 105 |

Drawn by lot for sinking fund, †$151,500; •$61,000; ‡$35,000; *$86,300.

*All outstanding balance.

## Foreign Exchange

During the week Nov. 21 to Nov. 27 there was no change in the quotation of the United States dollar at Toronto and Montreal, which was $1.10 for buying and $1.11 for selling. The sterling rate likewise was unchanged at $4.43 buying and $4.47 selling. The rate is published daily by the Foreign Exchange Control Board.

Other Currencies, Nov. 27

| | | | |
|---|---|---|---|
| Australia | 3.58 | Italy | .0560½ |
| Belgium | .1838¾ | N. Zealand | 3.61 |
| Denmark | .2149 | Norway | .2524½ |
| France | .0246½ | S. Africa | 4.47 |
| Holland | .5894¾ | Sweden | .2646¼ |
| Hungary | .1953¾ | Hong Kong | .2703 |
| India | .3350 | | |

**ELECTED TO "CURB"**

Harry C. Coughtry, partner in the firm of Macleod, Riddell and Co., members of the Montreal Stock Exchange, who has been elected to membership in the Montreal Curb Market.

## Shawinigan's Notes Offered

### New $6 Millions Issue Is Convertible Into Common

From Our Own Correspondent

MONTREAL.—Shawinigan Water and Power Co. is making a public offering this week of $6 millions of 7-year 3½% collateral trust notes at par and accrued interest through a syndicate headed up by Dominion Securities Corp. In all there are 43 investment dealers in the syndicate. The issue was oversold.

The present financing has been carried out by Shawinigan for the purpose of reimbursing the company for expenditures already made and for general capital requirements.

Through St. Maurice Valley Corp. the company has been financing expenses in connection with the La Tuque development of 162,000 h.p. This is reflected in the interim balance sheet published by the company and dated Sept. 30, 1939. At the same time the company has carried out substantial capital expenditures on its own account.

At the end of last September the balance sheet shows a special bank loan of $2 millions in connection with St. Maurice Power Corp.

### Details of Issue

The collateral trust notes are secured by $7 millions of series G 4% first mortgage collateral trust bonds, or an amount of $116 2/3 behind each $100 principal amount of collateral trust notes. The latter are payable as to principal and interest in Canadian funds only.

A feature of the issue is that the notes will be convertible at any time up to Nov. 15, 1941, at the rate of one common share for each $25 principal amount of notes and thereafter, up to and including Nov. 15, 1943, at the rate of one common share for each $30 principal amount of notes.

## Asks Exchange For New Bonds

### Sterling Coal to Ask Bondholders Approval of Issue

A special meeting of the 6% first mortgage bondholders of Sterling Coal Co. will be held Dec. 19 in Toronto to consider issuance of new bonds in exchange for the present issue, which matures on Jan. 1, 1940.

It is proposed to limit the bonds to an authorized amount of $480,000, and if the present agreement is approved it will be binding upon all existing bondholders.

**6% 1st Mortgage Sinking Fund Bonds:**

Dated—Jan. 1, 1940; due—Jan. 1, 1945.

Forms for listing of bonds for deposit for voting purposes, voting certificates, proxies and other information may be obtained from the Chartered Trust and Executor Co., Toronto or Montreal, or from The Bank of Nova Scotia in New York and London, Eng.

It is stated that the current interest coupon which matures on the old bonds on Jan. 1, 1940, will be paid.

Principal and semi-annual interest (Jan. and July 1) payable in Toronto and Montreal in Canadian funds.

Authorized—$480,000.

Trustee—Chartered Trust and Executor Co., Toronto.

Callability—Redeemable, on 30 days' notice, at par plus accrued interest.

Sinking Fund—Payment of $35,000 annually.

Security—A first fixed and specific charge on all the issued shares of Conger Lehigh Coal Co. Ltd. and a first floating charge on the undertaking and all other property of the company now owned or hereafter acquired.

A NEW ACT . . . . .

The Ontario Succession Duty Act of September 22nd, 1939, is a new Act. The general principles of this taxation remain unaltered but the previous Act has been largely rewritten. Important changes have been made in the taxation of certain gifts and bequests. ¶ This Corporation offers you its services in explaining the practical effects of the new Act . . . in estimating the probable amount of duty your estate will have to pay . . . in discussing with you and your solicitor the revision of your will. You will incur no obligation by your enquiries.

*A booklet recently compiled, giving practical information on the new Act, will be gladly sent on request.*

THE
TORONTO GENERAL TRUSTS
CORPORATION

Assets under administration . . . . . . . $237,000,000

## Company Reports

### International Milling

International Milling Co. reports largest earnings in its history for the year ended Aug. 31.

Net profit of $1.9 millions for the year was equivalent to $33.92 on the 5% preferred shares. This compares with net profit of $745,217, and $12.81 in the previous year. Earnings on the common stock amounted to $23.63 and $6.82, respectively.

The company's financial statement reflects the much improved situation in which milling companies found themselves in the past year. Its operations are carried on in both U.S. and Canada.

INTERNATIONAL MILLING
Balance Sheet Items
As at August 31

| | 1939<br>$ | 1938<br>$ |
|---|---|---|
| Cash | 2,090,288 | 3,176,568 |
| Accts. rec. (net) | 2,824,589 | 3,132,877 |
| Inventories | 9,326,328 | 9,609,328 |
| Notes payable | 1,472,500 | 4,763,000 |
| Accts. payable | 871,624 | 998,588 |
| First pref. | 5,734,500 | 5,816,000 |
| Second pref. | ...... | 405,000 |
| Cont. liabilities | 67,643 | 154,960 |

Consol. Income and Surplus Account
Years Ended August 31

| | 1939<br>$ | 1938<br>$ |
|---|---|---|
| Net profit | 1,945,485 | 745,217 |
| Less: 1st pref. divd. | 287,616 | 259,344 |
| 2nd pref. divd. | 3,464 | 8,322 |
| Common divd. | 420,114 | ...... |
| Surplus for year | 1,234,291 | 477,554 |
| Add: Prev. surplus | 6,676,280 | 8,246,042 |
| Spec. res. restored | ...... | 253,182 |
| Pref. sale prem. | ...... | 4,950 |
| Ret. pref. disct. | ...... | 355 |
| Less: Com. retire. | 75,330 | 2,162,898 |
| Ret. pref. prem. | 3,798 | ...... |
| Amt. for pref. red. | 30,216 | 58,165 |
| Cand. exch. res. | 67,261 | ...... |
| Subsid. adjust. | ...... | 29,282 |
| Invest. real. loss | ...... | 55,455 |
| Surplus forward | 7,733,966 | 6,676,280 |
| **Earnings per Share:** | | |
| 5% pref.: Earned | 33.92 | 12.81 |
| Paid | 5.00 | 5.00 |
| Common: Earned | 23.63 | 6.82 |
| Paid | 6.00 | nil |

Working Capital

| | 1939<br>$ | 1938<br>$ |
|---|---|---|
| Current assets | 14,384,416 | 16,268,824 |
| Current liabilities | 3,613,906 | 6,460,567 |
| Working capital | 10,770,510 | 9,808,257 |

### Brantford Cordage

A small increase in earnings is reported by Brantford Cordage Co. in the year ended Aug. 31. Net profit of $8,890 compares with a net loss of $8,146 in the previous year.

Income and Surplus Account
Years Ended Aug. 31

| | 1939<br>$ | 1938<br>$ |
|---|---|---|
| Net earnings | 19,427 | 2,384 |
| Less: Depreciation | 10,537 | 10,530 |
| Net profit | 8,890 | *8,146 |
| Less: 1st pref. divd. | 49,936 | 50,142 |
| Loss for year | 41,046 | 58,288 |
| Add: Prev. surplus | 737,465 | 795,296 |
| Disct. shs. red. | 1,650 | 457 |
| Surplus forward | 698,069 | 737,465 |

*Loss or deficit.

| **Earnings per Share:** | | |
|---|---|---|
| First pref.: Earned | $0.23 | d$0.21 |
| Paid | 1.30 | 1.30 |
| Second pref.: Earned | d1.71 | d2.43 |
| Paid | nil | nil |
| Com.: Earned | d1.04 | d1.25 |
| None paid. | | |

Working Capital

| | 1939<br>$ | 1938<br>$ |
|---|---|---|
| Current assets | 1,601,655 | 1,675,578 |
| Current liabilities | 24,866 | 56,258 |
| Working capital | 1,576,789 | 1,619,320 |

### Consumers' Gas

Statements of Consumers' Gas Co. for the year ended Sept. 30 show an increase in revenues during the year. Increase is attributable to higher value of residuals and merchandise sold, but gas sales declined.

Gross revenues increased $38,568 in the year ended Sept. 30, to $7.3 millions. Increase in operating costs and taxes of $102,000 and decline in earnings on investments reduced income available for dividends and plant and buildings renewal fund $69,735 to $2.3 millions.

Increase in gross income was due to residuals produced, which were higher by $155,408. Sale of gas appliances increased, while gas sales were down during the year.

Gross operating revenue amounted to $7.4 millions, which exceeded by $283,221, the amount necessary to meet operating expenses, taxes, actual repairs and renewals and regular dividends.

In the year under review in order to transfer the full appropriation to the plant and buildings renewal fund, it was necessary to draw upon the reserve fund to the extent of $298,308. In the previous year $216,141 was transferred from reserve fund for this purpose.

Balance Sheet Items
At September 30

| | 1939<br>$ | 1938<br>$ |
|---|---|---|
| Properties | 22,729,681 | 22,480,183 |
| Supplies | 1,390,239 | 1,127,583 |
| Cash | 330,098 | 415,308 |
| Accts. rec. | 979,701 | 924,302 |
| Reserve fund | 5,492,767 | 5,791,075 |
| Renewal fund | 6,441,263 | 5,859,733 |
| Accts. payable | 524,080 | 348,758 |

Income and Surplus Account
Years Ended September 30

| | 1939<br>$ | 1938<br>$ |
|---|---|---|
| **Gross Earnings:** | | |
| Gas sales | 5,393,008 | 5,562,836 |
| Residuals | 1,640,445 | 1,485,037 |
| Merchandise | 269,646 | 216,446 |
| Misc. revenue | 7,016 | 7,228 |
| | 7,310,115 | 7,271,547 |
| Less: Exps. & taxes | 5,148,301 | 5,046,025 |
| Net oper. earns. | 2,161,814 | 2,225,522 |
| Add: Int. earned | 88,472 | 94,499 |
| Net profit | 2,250,286 | 2,320,021 |
| Less: Dividends | 1,455,520 | 1,455,520 |
| Surplus for year | 794,766 | 864,501 |
| Trans. from res. fund | 298,308 | 216,141 |
| | 1,093,074 | 1,080,642 |
| Trans. to renewal fund | 1,093,074 | 1,080,642 |
| **Earnings per Share:** | | |
| Earned* | 11.95 | 11.55 |
| Earned† | 7.95 | 8.52 |
| Paid | 10.00 | 10.00 |

* Based on net profits, less amount spent on repairs and renewals during the year; the full appropriation to the plant and buildings account is not deducted, as under the company's charter, dividends are a prior charge on earnings.

† Based on net profit, less entire amount of transfer to plant and buildings renewal fund.

Working Capital

| | | |
|---|---|---|
| Current assets | 4,719,634 | 4,486,847 |
| Current liabilities | 1,065,717 | 870,459 |
| Working capital | 3,653,917 | 3,616,388 |

CANADA APPLAUDS!
1940 PACKARD wins nation-wide approval!
PRICES LOWER THAN A YEAR AGO
$1264
AND UP, *delivered in Windsor, taxes paid. Prices subject to change without notice.
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MOTOR-WISE CANADIANS have taken a long look at the new 1940 Packard—and vote it "tops"!

Its new, freshly styled speed-streamed lines . . . its fiery performance . . . its luxurious interior . . . have brought cheers from coast to coast. For though the car is modern and exciting as television, it still looks like a Packard—with Packard quality built into every gleaming surface.

Ride this exciting car and you'll discover it spreads its own good news with every turn of the wheels. You'll say this car—and its astonishingly low price—is grand "birthday" news. For November is our 40th birthday, and we're giving *you* reason to celebrate!

*Above: 1940 Packard One-Ten Touring Sedan, $1421* (white sidewall tires extra)*

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TORONTO, DECEMBER 2, 1939

## The Financial Post Editorial Platform for Canada

*Winning the war has become the focal point for national and personal effort in Canada. This requires full mobilization of the nation's material and spiritual resources. To the fullest degree this should be obtained by individual effort, freely made. Strong national leadership will inspire service and sacrifice that will reduce the need for regimentation and compulsion.*

*The Financial Post believes such objectives require:*

1. *Strengthening cabinet leadership by drawing upon Canada's best executive brainpower irrespective of political considerations.*
2. *Elimination of public and private waste.*
3. *Pay-as-we-go financial policy.*
4. *Planning the war effort with the post-war as well as the emergency needs in mind.*

*In achieving these objectives the spirit of sacrifice and unity in Canada can be used in finding sound, long-term solutions to problems left unsolved in the idle days of peace.*

## Value for War Dollars

The announcement by Hon. James L. Ralston that Canada's twelve-month war expenditure is likely to be $315 millions, puts in understandable terms the magnitude of our initial war effort.

This means that war will add another million dollars a day to a peacetime budget of around $550 millions.

To this must also be added the further half billion spent each year by municipal and provincial bodies.

In all, the equivalent of almost 30 per cent of the national income is currently being diverted into government channels.

Canadians will not object to the sacrifices necessary to make these colossal expenditures necessary if they are assured:

1. Of cabinet leadership strengthened by the country's best executive brainpower.
2. That public waste is being eliminated from the ordinary business of government as well as from the wartime programme.
3. That the nation's material and spiritual resources are being mobilized under capable, single-minded direction and with the utmost efficiency and dispatch.

## Confidence and the War Effort

The Kingston Whig-Standard makes the eminently sane comment that "the nation at war is concerned that confidence in the conduct of the war should not be undermined unnecessarily."

The editor of the Whig-Standard, however, seems to feel that criticism of government methods does undermine confidence. It objects to recent articles in The Financial Post on the ground that they deal with contracts negotiated before the outbreak of war.

Similar comment is made by the Saskatoon Star-Phoenix. It accuses The Post of "nagging for weeks about things that happened before the war effort began."

There are three points that may be made in this connection:

1. The Prime Minister's pledge against patronage in the war effort has not been extended to include the elimination of all patronage and other forms of political favoritism in wartime, in whatever department. Modern war is conducted by the entire nation and through every department of government. Waste and inefficiency in any department weakens the nation in wartime.

2. The minister whose direction of the Department of National Defense led to the abuses that The Financial Post has been exposing remains a member of our war cabinet in charge of an important spending department that is an active factor in the war effort. That must be taken as the Prime Minister's comment on the abuses that have been brought to light.

3. The two statements so far issued by the present Minister of National Defense on The Financial Post's articles have in both cases offered a defense and support for the policies and practices discussed.

The Winnipeg Free Press has called for the most sweeping investigation of all government war contracts. There is good reason for meeting this demand.

If the public is to have, as the Whig-Standard suggests, "confidence in the conduct of the war," there must be greater assurance than has yet been offered that every phase of government is being efficiently conducted.

## Dominion-Provincial Relations

In the face of a crisis such as war, governments often get around to doing things that should have been done years before.

One instance of this is the creation of a new portfolio—Dominion-Provincial Relations—by the Manitoba Government. Purpose of the portfolio, which has been assumed by Premier John Bracken, is "to facilitate the utmost co-operation in provincial and federal activities during the war."

This is a laudable objective. It is one which other provinces might emulate; one which should have been generally adopted in peacetime. New Brunswick is the only province that has had a department of federal relations. Yet, good relations and co-operation between the provinces and the Dominion is as important in peacetime as in war.

Too little attention has been paid to Dominion-provincial relations in the past. The Dominion and provincial governments have each gone their own way. There has been too little exchange of views and consideration of mutual interests. This is one reason why we have overlapping and duplication of taxes and services.

One of the features of Canada's war effort has been the co-operative spirit of the provincial governments. There is no reason why this should not continue after the war has passed into history. Indeed the war may prove an "ill wind" in this respect if it results in the setting up of proper and permanent machinery for the handling of Dominion-provincial relationships.

## Advice to Farmers

Hon. J. G. Gardiner, Dominion Minister of Agriculture, gave the farmers of western Canada some sound advice in his recent Winnipeg speech.

He urged farmers to use the larger returns accruing from higher prices to pay off mortgages and build up working capital. He said, in part:

> "The old farm has been too often used to finance a start in life for some member of the family rather than to consolidate the position of persons who are going to remain on the farm. Don't let the implement dealer, whom the farm set up in business, sell you every new-fangled machine that engineers sit up nights trying to design. You can find out by consulting our experimental farms the kind of equipment you need to work any kind of land. Give the old farm a chance. Clear it of debt and get reasonable equipment and good livestock on it. The average half section of land anywhere in Manitoba, Saskatchewan and Alberta secures a better living for anyone having it than most jobs that are picked up around towns and cities."

A major problem of western Canada in recent years has been debt. Not only are provincial and municipal debts heavy but too many individual farms were overburdened with debt even before the depression got under way. The weight of depression and drought years would have been greatly alleviated if more farmers had made a real effort to reduce their mortgages during good times.

The mortgage companies, implement manufacturers and other firms doing business with western farmers are the first to admit this. They will be among the first to assist in putting into practice the advice given the farmer by Mr. Gardiner.

## Cut Out Printing Waste

Gems of interest embedded in the annual reports of the National Research Council, make it regrettable that the hobbles of official procedure and archaic printing facilities prevent their appearance until 18 months after the close of the year. The printed report covering the fiscal year 1937-38 (closed March 31, 1938) did not reach us until the last week in October. Much if not all its news interest has long since been lost.

Throughout the year the Council and other governmental bodies try to offset this by news releases covering the year's activities. But they are handicapped in telling their story by the tardiness and inefficiency of governmental printing machinery.

Repeatedly there have been probes and enquiries into government printing and publications. Yet little is done about it. Now the war will presumably be given as the new argument why this and that report cannot be produced promptly. Already, some officials at Ottawa have been shrugging their shoulders and saying "We cannot get this printed just now—war work, you know."

Nearly a quarter of a century ago, Ottawa first probed governmental printing and publications—suggested sweeping reforms which were never implemented. Since then at least two interdepartmental committees have done likewise—one in 1933 and then again in 1937. Political inertia and seeming disregard for efficiency in public business have prevented anything being done about it.

With the increasing urgency which war has brought for the elimination of waste from public business, Ottawa should overhaul and modernize its governmental printing and publication machinery without further delay.

## Halifax Up In Arms

Haligonians are good and mad about the handling of accommodation for naval men in that city. The big Navy League building in that city was completed at the end of the last war as a service men's hostel. It cost upward of $350,000, mostly raised by public subscription. It can accommodate 400 men; is equipped with dormitories, showers, recreation rooms and the like.

Yet the building was commandeered in the early days of the war as the administrative offices for the R.C.A.F. Eastern Command. Now plans are under way to raise funds for another hostel at an initial cost of $100,000 to accommodate the hundreds upon hundreds of sailors who make Halifax their headquarters during shore leave.

The whole thing doesn't make sense and both local papers—the Chronicle and the Herald—have been urging reconsideration of what they regard as a bad bit of bungling by the Federal Government.

Surely administrative offices can be procured elsewhere in Halifax for the R.C.A.F.? Why cannot the Navy League building be made available for the purposes for which it was built and for which it is now so urgently needed?

## As Others See Us

When His Majesty's Trade Commissioners in Canada sit back and appraise the Canadian economy the results are always illuminating. From their vantage points in the chief centres of population they have a unique opportunity to size up our affairs. Their periodic surveys of economic and commercial conditions are usually frank, informative and readable.

The most recent report (first to be issued under the direction of A. M. Wiseman, who succeeded Fred W. Field as Senior Trade Commissioner) is especially interesting because it was prepared in July—before war. It looks dispassionately on basic, deep-rooted Canadian problems which may easily be forgotten or brushed aside under pressure of war economy. For example:

> "The government accounts for the fiscal year ending March 31, 1939, were less satisfactory than in the preceding year. . . .
>
> "The cost of the publicly owned railway system is one of the Dominion's most persistent problems. . . .
>
> "While there appears to be no reason to doubt the basic soundness of the country's domestic economy, Canada still has to solve some major internal problems such as Dominion and provincial relations, the railway situation and unemployment . . . it is self-evident that so long as they remain unsolved they must have an adverse effect on the financial and economic position."

Plans for prosecuting Canada's war effort will be neither complete nor well balanced if they overlook or make more difficult, sound, long-term solutions to basic peacetime problems. There is a timely reminder of these in the 1939 report of the British Trade Commissioners.

## The Canadian Editorial of the Week

### We Must Meet It

Peterborough Examiner

Devon Francis, aviation editor of the Associated Press, paid a short visit to Canada, and on his return said the chief concern of Canadians is that tourists from United States might come to look upon this country as a place at war and therefore refuse to come north for their vacation.

Mr. Francis found nothing at all which would inconvenience a tourist. He found there were many young men receiving training for military service, but their movements and location were kept secret. He found too that thousands were in training for air service, and that the number would increase until Canada was the centre of such activity for the British Empire.

But the visitor found nothing at all which would cause either trouble or inconvenience to a tourist from United States. Not a thing, and he has done a good service to this country by saying so in print.

There have been reports brought back telling of the stories which are freely circulated in United States. They are to the effect that it is dangerous to come to Canada. People coming here would be in the same position as those caught in any other land during war; they might have trouble enough getting home again and therefore it is not wise to take the risk. These claims are not advanced openly, but they are deftly put into circulation. They are difficult to deny because they are not formally presented where they can be openly attacked or denied.

This country needs tourist business from United States and our district is one which would be adversely affected if the feeling of fear were sufficiently spread in United States to cause the people there to refuse to cross the international border and head up in the general direction of our welcome and excellent vacation lands. Our governments should not hesitate to spend money to present our case plainly to the people across the line. We cannot afford to stand aside and see our tourist trade placed in jeopardy.

## Editorials in Brief

**Newspaper headlines** have publicized the fact that relief totals were lower by 32% in September.

How many readers looked underneath to find that this was just a seasonal dip?

Compared with September, 1938, the total was down only 2%. Employable jobless living at public expense were actually 5% greater than for the same month last year.

Contrary to general belief and expectation the war has done little as yet to solve Canada's relief problem.

* * *

**Attorney-General Conant** has at last moved to clean up Toronto's half dozen obscenity sheets, described by the Owen Sound Times as the "garbage dumps" of newspaperdom.

A lot of people have wondered why we had to wait for a war to purge these tabloids of their filth.

* * *

**Alberta's** six months interim financial statement shows its new treasury bank branches cost for operation since March about $140,000. The Calgary Herald suggests this is expensive "banking" in view of the fact that total amount of depositors' accounts was only $1.1 million, an increase for the period of but half a million dollars.

What a squawk Mr. Aberhart would have raised if he had caught chartered banks spending a fraction of this amount to attract deposits.

* * *

**The Winnipeg Free Press** sees in the defeat of Hon. A. P. Paterson, Minister of Education in New Brunswick, a possible "valuable aid to the real cause of Canadian unity." Says the Free Press:

> "If his disappearance from the political stage now follows, it removes from the public life the strongest proponent of the dangerous 'compact theory' of Confederation which has been in the past one of the more disrupting forces in the striving for a real Canadian unity."

The "compact theory" sets forth the belief that Canada is not a political unity only but a league of nine provinces each one of which is virtually a sovereign state with rights transcending those of the Dominion. Though the theory has no sound basis in fact, it has been repeatedly used to obstruct the solution of constitutional problems in this country.

## Sayings of the Week . . . .

"I am not one who wants to pull any punches in a war effort."—*Hon. J. L. Ralston.*

* * *

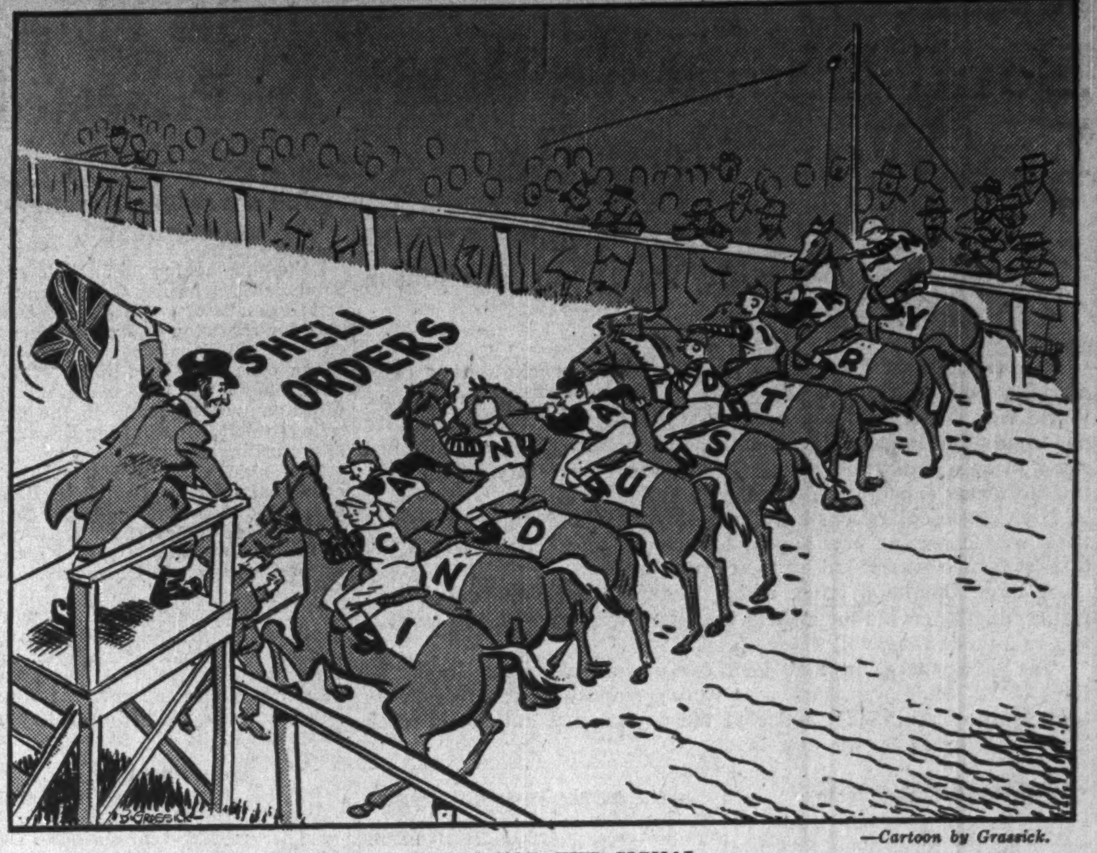
"The art of war consists in bringing the greatest possible force to bear at the right place at the right time."—*Prime Minister Chamberlain.*

* * *

"All the romance of war has been blacked out. I think this is perhaps a good thing."—*Hon. T. A. Crerar.*

* * *

"If our efforts of the last ten weeks can be classed as inactivity, then Heaven help us if we ever have to get down to work."—*Hon. J. L. Ralston.*



—*Cartoon by Grassick.*

WAITING FOR THE SIGNAL

# Post-Scripts . . . .

### Back to New York

Fred Johnson's appointment as director of administration of the British Purchasing Commission in the United States, lends strength to that organization. Not many years ago he made a thorough study of the A. T. and T.'s accounting methods for the Bell Telephone Co. of Canada. He is thoroughly familiar with American business practices.

FRED JOHNSON

Born in Southport, Eng., Fred Johnson has spent most of his business life in the telephone business. He began his telephone career with the National Telephone Co. After six years with that company he came to Canada and entered the service of the Bell Telephone in Montreal on May 9, 1910. He has served, successively, as division auditor of receipts, chief accountant, assistant comptroller, comptroller and vice-president.

Several years ago L. B. McFarlane recognized the ability of Fred Johnson and arranged to give him broader experience to fit him for greater responsibilities. To that end he was sent to New York where he made a detailed study of the accounting methods of the American Telephone and Telegraph Co. Upon his return to Canada he did much to revamp the accounting methods in use by the Bell Telephone which, directly and indirectly, influenced the practices followed by other telephone companies in the Dominion.

His experience and ability has been recognized not only by his appointment as vice-president of the Bell, but also by his election as a director of the company, as well as of the Northern Electric Co., New Brunswick Telephone Co. and Maritime Telegraph and Telephone Co.

* * *

### Banker in Bahamas

Like Sydney G. Dobson, his immediate predecessor, Harry F. Patterson, newly elected president of the Canadian Bankers' Association, is a maritimer by birth. Born at Petitcodiac, N.B., he joined the Bank of Nova Scotia at Campbellton and so is an original Bank of Nova Scotia man.

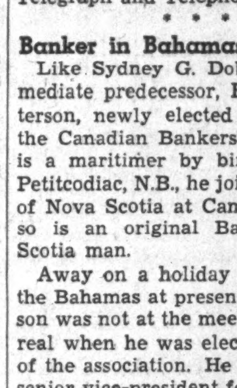
Away on a holiday at Nassau in the Bahamas at present, Mr. Patterson was not at the meeting in Montreal when he was elected president of the association. He had been the senior vice-president for the past 14 months, ever since the death of Harvey B. Henwood, who formerly held that post.

Mr. Patterson's Bahamas trip is the first real holiday he has taken for many a long day.

* * *

### Cockshutt Saga

Recently the Brantford Board of Trade celebrated the 60th anniversary of the granting of its charter. A feature of the event was the unveiling of a composite photograph which included all of the 45 Brantfordites who have held presidential office in the Board since its inception. The photograph was prepared by E. P. Park of Brantford, the only living charter member of the Board.



I. COCKSHUTT

Looking at this photograph we were impressed by the fact that of these 45 leading citizens, no less than six bore the name "Cockshutt."

Because Cockshutt plows are sold in almost all parts of the world, the names all parts of the world, the names Cockshutt and Brantford have become synonymous. The chance that brought these two names together and the contribution made since that time by the sons and grandsons of the Yorkshire immigrant boy who travelled first to Brantford in 1827 to open a branch general store for his father, is one of Canada's most striking industrial sagas.

* * *

One must go back even a few more years to tell the story of how the Cockshutt family came to Canada instead of the United States.

It is recorded that after James Cockshutt, the Bradford wool carder, lost his job he decided to migrate to the new world. As he neared New York he tossed a coin to determine whether he would settle in Pittsburgh or go on to "Muddy York." York had then a population of 1,700 people, and on arrival there Mr. Cockshutt opened a general store in partnership with a friend. Two years later it was decided to open a branch in Brantford, as a partnership, under the title "Batty and Company." Ignatius Cockshutt, then seventeen years old, was sent along to the village to help in the business. The new firm was unsuccessful, but Ignatius, sensing the possibilities of the settlement, obtained permission to open a business there in 1832 with himself as manager. Within two years it was so successful that the Toronto project was abandoned and the entire family and business connections moved to the Grand River community.

The enterprise was typical of the times—a general store in the broadest sense of the term. Every kind of merchandise was sold and everything was legal tender for the same, according to Reville's History of Brantford. Money was scarce and barter was the medium of business. Later the father sold the entire business to his son and daughter. Subsequently the daughter withdrew in favor of her brother.

* * *

Ignatius Cockshutt continued to evolve the village store into a mercantile establishment which he carried on with extraordinary success for over fifty years.

By that time Ignatius Cockshutt had already become a potent force in the community. He took part in the inauguration of the Grand River Navigation Company, was a member of the Board of the Buffalo Goderich and Lake Huron Railroad, the first railway to run through the community. He was a prime mover in establishing a waterworks company which was later sold to the city. He came to the aid of the Brantford Gas Company when it ran into financial difficulties. He undertook construction of the Brantford and Oakland Toll Road (commonly known as the Cockshutt Bridge) which was completed in 1859 and served to open up a valuable area south of the city. He played an important part in forming the Waterous Engine Company. Included among his many public and private philanthropies were the establishment and maintenance at his own expense of a mission for work among native population on the Island of Jamaica.

* * *

### Plows and Public Service

The plow company which has carried on the family name was started by James D. Cockshutt, eldest son of Ignatius in 1877. James was of a mechanical turn of mind and at an early age became interested in foundry work. After preliminary training at the Waterous plant he looked around for an enterprise of his own and started (very cannily) with plows and root cultivators — implements connected with seeding operations on the farm, these being more certain than the harvesting end of the business. Associated with James were other members of his family—a younger brother, W. F. Cockshutt, who died last week at Brantford at the age of 84, and who was president of the company in 1900, and the illustrious youngest son of Ignatius, now Colonel The Hon. Henry Cockshutt, former Lieutenant-Governor of Ontario, who recently celebrated fifty-five years of unbroken service with the firm.

Col. Harry started working for his elder brother in September, 1884, as a lad in his early teens. His first job was cutting up cordwood for the shop fire. He subsequently advanced to various departments, became a salesman and in 1888 was made secretary-treasurer. In his twenty-fifth year he became managing director and subsequently president, a position he retained until five years ago, when he became Chairman of the Board and passed the presidency on to his nephew, C. Gordon Cockshutt. Another grandson actively connected with the business is George T. Cockshutt, now export manager.

* * *

This briefly is the industrial saga of the Cockshutt family in Brantford in the 110 years since Ignatius first went clerking in his father's village branch store in 1827. In all, Ignatius had twelve children, six of whom were boys. For the most part they and their children and children's children stayed close to their community. They gave unstintingly to public service and activity in that community.

It is not surprising, therefore, that of 45 board of trade presidents, six should be Cockshutts. First was Ignatius Cockshutt — 1866 to 1871. His presidency occurred actually prior to the formal incorporation of the board in 1879 and celebrated by the recent banquet at Brantford. His third son, W. F. Cockshutt, who for many years represented Brantford in the Federal House of Commons, served as president on two occasions—1838 and 1904. In 1895 and 1896 a younger brother, Frank Cockshutt, held the presidential office. In 1898 it was Henry Cockshutt's turn.

By the 1930's the next generation was ready to play its part. For two years, 1930-31, Gordon Cockshutt was president. Gordon is a son of Frank Cockshutt. His chief business interest until a few years ago had been textiles. He is president of the Slingsby Manufacturing Company in Brantford. Gordon Cockshutt is now president of Cockshutt Plow Company.

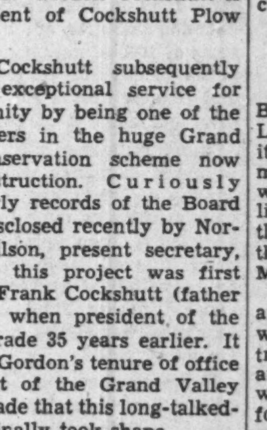
Gordon Cockshutt subsequently performed exceptional service for the community by being one of the prime movers in the huge Grand Valley Conservation scheme now under construction. Curiously enough, early records of the Board of Trade disclosed recently by Norman R. Wilson, present secretary, reveal that this project was first mooted by Frank Cockshutt (father of Gordon) when president of the Board of Trade 35 years earlier. It was during Gordon's tenure of office as president of the Grand Valley Board of Trade that this long-talked-of project finally took shape.

Most recent member of the family to hold presidential office in the Board of Trade was George T. Cockshutt, president in 1937 and 1938. He is a son of W. F. Cockshutt and export manager of the Cockshutt Plow Co.

* * *

### Sales Chief

Ford Motor Co. of Canada announced a 20% gain in November and December sales a few days ago. The announcement was made by R. M. Sale, recently appointed sales manager of the company for Canada. Mr. Sale's greatest interest, apart from his zeal for selling automobiles, is reserved for another form of transportation — boats. But he finds all too little time to indulge his enthusiasm for cruising.



R. M. SALE

For one thing, he works too hard. Preliminary enquiry as to Mr. Sale's outside activities and personal interests elicited the reply from a friend: "I don't think he has any. He works all the time."

This is not literally true. When he does take time out, he plays as intensively as he works and with as much evident enjoyment. The energy and enthusiasm of his industry go a long way toward explaining how he attained his present important job at the comparatively early age of 42. Perhaps they also explain why he looks eight or ten years younger than that.

Slim and alert, he is as streamlined as the cars he sells. Mr. Sale in appearance does not conform to the traditional concept of a veteran employee—or a war veteran, either, for that matter. He is both, nevertheless. His appointment as sales manager started him off on his 25th year with Ford of Canada. And he served overseas for two years in the last war, as a lieutenant in the 241st Battalion, C.E.F. Two other years he spent in Australia for Ford.

* * *

In a job that requires a great deal of travelling and the covering of long distances in the shortest possible time, Mr. Sale of late has conceived a new enthusiasm—for flying. Air travel seems to meet the needs of his driving energy and impatience to get much done in a short time. If he can save an hour or even less by taking a plane from one city to another, he will do so.

Mr. Sale has always been a keen out-of-doors man. Even more than hunting and fishing, cruising holds his greatest interest in his leisure moments. As a youth, he built and sailed boats with his father, and he learned from his father much of the sailing lore which backs up his enthusiastic devotion to this pursuit. During his infrequent holidays, he spends much of his time cruising on the upper lakes with his son (John Sale, 16-year-old Ridley College student) and his daughter (Peggy Sale, Macdonald Hall graduate).

# In the Mail . . .

### Patriots, Not Plum-Pickers

Editor, The Financial Post,

It has been reported on good information that Wallace R. Campbell, Henry Borden and J. McG. Stewart (among others) are serving Canadian war effort without monetary compensation, which means in the case of Borden and Stewart, at least, at considerable personal financial sacrifice.

If this should be true, is not your article in a recent issue where these names are mentioned, most unfair to these men?

You say: "But in those appointments which have been made, the plums have gone pretty well to the Conservatives. A notable example is the appointment of J. McG. Stewart, etc."

Reading this, ninety-five per cent of the people would infer that Mr. Stewart had got one of the "plums"—in other words something from which he personally would profit greatly.

If, as reported, he is serving without salary, he is losing personally thousands of dollars a year. His physical condition is also such that the tasks he has undertaken are a very severe strain.

If these men are giving their services it seems unfair to use their names to "point an argument and to adorn a tale."

JOHN BARNETT,

Toronto.

**Editor's Note:**—The word "plum" was unfortunate. There was no intention whatever of suggesting that dollar-a-year men were in any way profiting in the jobs they had undertaken in their country's hour of need.

# As Others See Us . . . . .

### None so Blind

New Glasgow News

Several weeks have passed since The Financial Post published its articles exposing deals by the Department of Defense, then under Hon. Ian Mackenzie's direction, which amounted to woeful expenditure of public money.

Ottawa's powers-that-be have had the opportunity since to explain these practices—if there was an explanation. Complete silence only has followed. Mr. King has apparently chosen to ignore the articles though they were widely quoted by the press. Which reminds us of an old saying: "There are none so blind as those who will not see."

### Paging Premier King

Charlottetown Guardian

Commenting on Dr. Manion's charges of political patronage and Prime Minister King's request for specific examples, The Financial Post reminds Mr. King that it has been publishing such examples for weeks past, and that his (Mr. King's) only answer has been "overwhelming silence and inaction."

The Post claims that its investigations "have uncovered more than one case of middlemen extracting a profit when the Government buys a piece of property or a piece of equipment," and says the blame for this must be shouldered by the head of the administration, who promised to end patronage in the conduct of Government in Canada during the war, and who refuses to replace weak and incompetent ministers with stronger, more experienced men in whom the country can have confidence.

### Contracts That "Smell"

Hanover Post

Following up its exposure of the Bren machine gun contract, The MacLean Publishing Company has had its men investigate other Government contracts, with results that will prove to be eye-openers to millions of Canadians. The results of these investigations are printed in the company's Financial Post and Maclean's Magazine.

There are three ways of looking at these revelations. The Liberals will try to cover them up with the traditional red herring; the Conservatives and other opposition parties will seize upon them as ammunition for their guns, but what will the average Canadian, who is not a party man, think of them?

The party angle will not appeal to him, because he possibly realizes that all parties are painted in the same color. But as a Canadian he will stop to consider what kind of a political system we live under that is so steeped in patronage and inefficiency. Some may say that one never hears of such things in a dictatorship, but that does not prove that they do not exist. Surely, with all our boasted efficiency and modern methods, we have not sacrificed honesty and fair dealing. Or do we still feel that the man who pays the piper calls the tune, and that the fellow who supports the party in power is entitled to exorbitant profits on every Government contract?

# Stop Me If . . . .

He: "If East is East and West is West, where is the twain?"
She: "On the twack."

**Week in Business**

# Gain in Employment Reflects Activity

## Substantial Rise Shown Over Previous Month and Over Last Year — Railway Carloadings and Automobile Sales Increase

Current reports indicate that employment in Canada continues to expand.

Improvement is most noticeable in the skilled mechanical trades but is stated by authorities to be evident in other lines as well.

Definite evidence of the upturn is given in the official employment figures for Canada as at the beginning of November, which show a contra-seasonal rise in payrolls. The increase over the previous month was 18,914 persons or 1.6%. Compared with a year ago, this is a gain of 105,920 persons or approximately 10%. This in itself points to a substantial betterment in general business.

According to a statement of the Dominion Bureau of Statistics, the greatest gains were in industries among the first to be affected by the war demand such as iron and steel and textiles. A statement released by the Cotton Institute of Canada says that not since June, 1937, has the Canadian cotton industry operated at such a high level.

An instance of the effect on general business is seen in expansion in automobile sales. Sales of new motor vehicles in Canada in October exceeded the 1938 level for the second consecutive month this year. The number of vehicles sold was 7,060, retailing for $7.9 millions compared with 6,516 units with a value of $7.1 millions a year ago. The rise in September and October marks a change in the trend during the previous months of the year when sales were consistently lower than the year before.

Carloadings have taken a sharp contra-seasonal turn upward. This is largely due to acceleration of the movement of wheat to eastern United States elevators before the close of lake navigation. Shipments of merchandise in less than carload lots and of miscellaneous freight, have also been considerably heavier indicating a larger consumption of goods. This in turn is reflected in the earnings of the two railway systems which are showing good increases over last year. Gross for the C.N.R. and C.P.R. for the third week of November showed increases of 30% and 33% respectively.

• • •

Business improvement is pretty well distributed over the whole Dominion.

The Financial Post Business Indices for the five economic areas show business in all to be on a higher level than a year ago. Improvement over the previous month was also shown in each case, except in British Columbia where the index was fractionally lower. The small decline there was largely due to decreases in life insurance sales, employment and exports. Reduction in life insurance sales was to be expected after the sudden upturn in September following the outbreak of war while the recession in employment is described as largely seasonal. Exports were affected by war conditions.

Changes in the Financial Post Indices are indicated as follows:

| | Oct., 1939 | Change from Oct., 1938 | Change from Sept., 1939 |
|---|---|---|---|
| | | % | |
| Maritimes | 129.7 | + 4.9 | + 0.1 |
| Quebec | 149.4 | + 8.5 | + 1 |
| Ontario | 123.2 | +10.1 | + 4.05 |
| Prairies | 130.2 | + 6.8 | + 3.2 |
| British Columbia | 130.7 | + 6.0 | — 0.05 |

## Business Indicators

**Current business** steady with D.B.S. index of business activity for week ended Nov. 18 down slightly from previous week. The Financial Post's Business Indices for October higher in all areas except British Columbia.

**Employment index** at Nov. 1 higher than in previous month and year ago, both for all industries and for manufacturing group.

**Carloadings** for week ended Nov. 18 up 13%. Total for year to date up 3%.

**Railway earnings** in third week of November show increases of approximately 30% and 33% for C.N.R. and C.P.R. respectively, over last year.

**Automobile sales** in October show increases of 7.6% and 9.4% in passenger cars and trucks respectively, over last year.

**Sea fisheries** report October catch down 12% and landed value down 17% from year ago.

**Newsprint** exports up 9% in October, and 9.2% for 10 months.

**Electric power** output in October 10% above last year, total for 10 months up 9%.

**Life insurance** sales in October 7% above 1938.

**Trend of business** shown by The Financial Post Business Index and following key factors, new items for the week being marked thus ▲.

| | Nov. 18 | Nov. 11 | Nov. 4 | Oct. 28 | Nov. 19/38 |
|---|---|---|---|---|---|
| Commodity prices | 79.6 | 79.1 | 79.0 | 79.0 | 73.6 |
| Weekly index | 102.7 | 103.1 | 104.7 | 105.5 | 108.4 |
| | Oct. | Sept. | Aug. | July | Year Ago |
| Financial Post index | *127.2 | 122.6 | 121.0 | 119.8 | 115.7 |
| Retail index no. of sales | .... | 87.4 | 81.8 | 83.7 | 80.8 |
| Dept. store " | 90.1 | 86.4 | 73.1 | 77.3 | 77.3 |
| Wholesale " | .... | 141.7 | 102.6 | 92.1 | 106.7 |
| Country (% change fr. last yr.) | .... | +12.1 | —2.2 | —6.2 | —3.9 |
| **Employment D.B.S. Index—** | Nov. 1 | Oct. 1 | Sept. 1 | Aug. 1 | Year Ago |
| All industries | ▲123.6 | 121.7 | 119.6 | 117.5 | 114.6 |
| Manufacturing | ▲122.1 | 119.7 | 115.3 | 112.8 | 110.9 |
| Wage earners, No. (000) | .... | .... | ▲2,506 | 2,461 | 2,402 |
| Living costs | .... | .... | $17.02 | $17.02 | $17.41 |

| | 1939 | 1938 | Jan. 1 to date 1939 | Jan. 1 to date 1938 | % Change |
|---|---|---|---|---|---|
| **Railways—** | | | | | |
| Carloadings week (Nov. 18) | ▲58,370 | 51,295 | 2,252,578 | 2,181,645 | +3.2 |
| C.N.R. gross, week (Nov. 21) | $ ▲4,838,150 | 3,810,813 | 178,268,672 | 161,946,449 | +10.0 |
| C.P.R. gross, week (Nov. 21) | $ ▲3,668,000 | 2,785,000 | 132,792,000 | 126,270,000 | +5.1 |
| C.P.R. net revenue (Sept.) | $ 5,821,955 | 3,651,406 | 12,705,409 | 7,330,793 | +73.3 |
| C.N.R. net revenue (Oct.) | $ ▲5,453,848 | 4,650,861 | 12,106,202 | 2,195,607 | +451.3 |
| **Iron and Steel (Sept.)—** | | | | | |
| Pig iron production (tons) | 63,954 | 49,972 | 487,982 | 554,845 | —12.0 |
| Steel ingots and castings prod. (tons) | 124,384 | 73,556 | 937,693 | 911,005 | +2.9 |
| **Automobiles (Number)—** | | | | | |
| Passenger Cars: | | | | | |
| Domestic sales* (Oct.) | ▲5,850 | 5,392 | 74,671 | 80,826 | —7.6 |
| Factory output (Oct.) | 7,791 | 5,412 | 87,433 | 94,140 | —7.1 |
| Trucks and Buses: | | | | | |
| Domestic sales* (Oct.) | ▲1,210 | 1,124 | 21,057 | 22,253 | —5.4 |
| Factory output (Oct.) | 1,849 | 262 | 32,493 | 35,340 | —8.0 |
| Exports (Oct.) | 1,213 | 2,946 | 48,921 | 50,049 | —2.2 |
| Financing (Oct.): | | | | | |
| Used | $ 2,867,444 | 2,549,356 | 29,975,021 | 31,894,065 | —6.0 |
| New | $ 1,708,896 | 2,035,587 | 23,623,493 | 29,711,589 | —20.5 |
| **Construction—** | | | | | |
| Contracts awarded (Oct.) | $ 14,228,100 | 18,111,000 | 165,010,000 | 161,572,700 | +2.1 |
| Cement, bbls. (Aug.) | 841,736 | 713,315 | 3,573,338 | 3,531,372 | +1.2 |
| **Agriculture—** | | | | | |
| Flour prod., bbls. (Sept.) | 1,927,102 | 1,639,231 | 11,237,112 | 9,182,110 | +22.3 |
| Flour exp., bbls. (Oct.) | 444,144 | 528,601 | 3,866,648 | 3,068,926 | +26.0 |
| Wheat exp., bush. (Oct.) | 16,848,847 | 24,579,370 | 107,856,939 | 76,492,261 | +41.0 |
| Cattle sales (Oct.) | 125,141 | 93,902 | 677,987 | 638,279 | +6.2 |
| Hog sales (Oct.) | 118,484 | 63,589 | 594,308 | 569,220 | +4.4 |
| **Sea Fisheries: (October)‡** | | | | | |
| Catch, cwts | ▲818,300 | 1,040,900 | 8,277,320 | 8,162,610 | +1.4 |
| Landed value | $ ▲1,179,300 | 1,417,400 | 14,958,780 | 16,048,910 | —6.7 |
| **Newsprint (tons)—** | | | | | |
| Production (Oct.) | 280,985 | 254,872 | 2,339,684 | 2,169,532 | +7.8 |
| Exports (Oct.) | ▲270,493 | 248,067 | 2,149,432 | 1,967,385 | +9.2 |
| **Mining and Oils—** | | | | | |
| Coal prod., tons (Sept.) | 1,244,072 | 1,117,289 | 10,455,919 | 9,887,283 | +5.8 |
| Coal imports, tons (Sept.) | 1,744,468 | 1,559,285 | 8,829,683 | 9,481,004 | —6.8 |
| Gold prod., fine oz. (Aug.) | 449,207 | 416,317 | 3,381,717 | 3,056,072 | +10.6 |
| Nickel prod., lb. (Aug.) | 20,123,078 | 16,573,105 | 150,085,845 | 143,157,462 | +4.8 |
| Copper prod., lb. (Aug.) | 54,039,671 | 47,917,545 | 400,711,715 | 380,090,805 | +5.4 |
| Crude oil prod., bbls. (Aug.) | 795,844 | 825,546 | 5,066,251 | 4,448,837 | +13.8 |
| Crude oil, imp., bbls. (Oct.) | 4,748,000 | 3,640 000 | 31,400,657 | 30,199,508 | +3.9 |
| **Electric Power Output (Oct.)—** | | | | | |
| Total monthly m.k.w.† | ▲2,589,956 | 2,332,461 | 23,213,735 | 21,283,948 | +9.0 |
| **Foreign Trade—♦** | | | | | |
| Imports (September) | $ 73,564,271 | 56,411,727 | 515,331,719 | 505,952,759 | +1.8 |
| Exports (September) | $ 82,456,582 | 73,109,154 | 644,040,089 | 602,736,537 | +6.8 |
| **Other Industrial Factors—** | | | | | |
| Dressed lumber exp.: M. bd. ft. (Oct.) | 2[illegible]4,085 | 144,296 | 1,823,970 | 1,352,951 | +34.8 |
| Shoes prod., pr. (Sept. | 2,368,374 | 2,069,929 | 17,905,207 | 16,821,756 | +6.4 |
| Cotton imports, lb. (Sept.) | 7,188,000 | 6,101,000 | 75,751,000 | 86,060,000 | —11.9 |
| Raw rubber imp., lb. (Oct.) | 11,877,283 | 7,031,956 | 59,726,390 | 45,844,327 | +30.6 |
| Cigarette cons. (Oct.) No.† | 706,229 | 587,582 | 5,980,875 | 5,751,514 | +3.9 |
| Sugar manufactured, lb.§ | 101,604,562 | 96,562,843 | 662,803,108 | 663,679,817 | —0.1 |
| **Finance—** | | | | | |
| Bank debits (Sept.)† | $ 2,831,651 | 2,654,813 | 22,731,224 | 22,077,381 | +2.9 |
| Bond sales (Oct.)† | $ ▲267,617 | 118,446 | 1,299,768 | 951,089 | +36.3 |
| Life insurance (Oct.) | $▲34,677,000 | 32,372,000 | 325,139,000 | 313,213,000 | +3.8 |

*D.B.S. All Canada figure comprising over 90% of the Canadian total.
†000's omitted. §For four weeks to Oct. 7, 1939. ♦Gold excluded.
‡Unrevised figures covering N.S., P.E.I., N.B., Que., B.C. *Preliminary.

## Eastern Dairies Reports Business Improvement

From Our Own Correspondent

MONTREAL.—Eastern Dairies officially report that both business and earnings of the company for the six months ended September showed a moderate improvement over the like 1938 period. Betterment was generally distributed in the Montreal, Ottawa, Toronto, Hamilton and Winnipeg areas in which the company's subsidiaries operate.

A gradual increase in volume has been evident since the commencement of the fiscal year, April 1, according to W. R. Aird, president and managing director. Firmer butter prices in September benefitted operations. The November 1, semi-annual bond interest payments, Mr. Aird stated, required a substantial premium for foreign funds.

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# B.C. Appraises Higher Freights

## Help Local Manufacturing But Will Cost Consumers More

From Our Own Correspondent

VANCOUVER.—Some British Columbia manufactured goods will receive what amounts to increased "tariff protection" as a result of the proposed advance in rail rates on some 100 commodities of westbound railway freight effective December 1, but the general expectation here is that the gain will be offset by the loss to consumers and importers on the Pacific coast as a result of higher costs.

Value of the Panama Canal route as an influence in keeping freight rates from East to West down is being realized more than ever now that war conditions have virtually eliminated the Canal as a factor. Intercoastal shipping services have been so restricted since the war began that it has ceased to compete seriously with the railroads, which had previously cut down their rates to hold them in a competitive position.

With British Columbia now dependent solely on the railways for goods from the East, the roads have ordered an increase in rates amounting in some cases to more than 100%.

Some canning interests may benefit on the coast to some extent by the increased rate on canned milk and a few other items, but this advantage will be offset by higher tin plate due to the same cause. The west coast furniture trade will benefit from higher cost or eastern furniture.

## Sharp Cut Expected In Saskatchewan Relief

Saskatchewan's rural relief disbursements this winter are expected to be several millions below last year.

The principal factor in the prospective reduction is the large crop harvested this year. Another factor is the acreage bonus to be paid by the Dominion Government in the crop failure areas.

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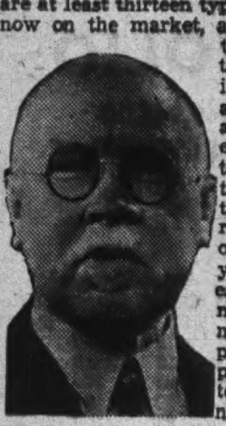
# Keeping Posted

By J. C. KIRKWOOD



JOHN C. KIRKWOOD

A. E. Pitcher, with E. I. DuPont De Nemours & Company, says that there are at least thirteen types of plastics now on the market, and that new types of plastics have been introduced at at the rate of at least one every year — this as contrasted with the pre-1929 rate of about one every 20 years. It is estimated that more than 160 million pounds of plastic materials are now being produced annually — well over 1 lb. for every man, woman and child on the North American continent.

This great upward and outward surge of an industry, says Mr. Pitcher, has three explanations: 1, the plastic industry has gradually been transferred from relatively weak hands to very strong hands; 2. research has been launched on a large scale; and 3, some of the best inventive brains of the nation have made valuable mechanical contributions to the fabrication of plastic articles, increasing the output and lowering the costs substantially.

• • •

### *Would Free Inventions*

I am wondering if the ideas put forward by a consultant in business economics and management at this year's Conference on Distribution, held in Boston, are likely to get any wide acceptance. Here are some of these ideas:

> Inventions shall be regarded as public property, available to everyone who desires to make or merchandise them.
>
> The rewards of inventor, fabricator, and distributor shall not come from private ownership and the power of withholding, but from special, specific rewards for invention, and from ordinary competitor profits or some equivalent.
>
> The rewards that now go to manufacturing ownership should go to management and to labor at machine and bench, while the reward left for the owner-manufacturer should be the reward that goes to competent merchandising on the fabricating level, just as that is the only kind of reward that now goes to the merchandiser on the consumer-contact level.

Speaking for myself, I can't see such views getting many pats on the back from inventors, manufacturers, distributors, and the public at large.

• • •

### *Hardware History*

Thomas E. Aikenhead, president, Aikenhead Hardware, Toronto, has just completed 65 years in the hardware trade. In 1874 Mr. Aikenhead was a 15-year-old apprentice with Ridout, Aikenhead & Crombie, dealers in hardware. His father, James, was a partner in this firm, whose beginnings were in 1830. So the present Aikenhead company can say that it is 109 years old.

In 1830, Toronto—then called York —had a population of 2,860, of which 500 were soldiers. Yonge St. was named for Sir George Yonge, Secretary of War in England in 1791.

Thomas E. Aikenhead is quoted in Hardware and Metal as saying, "When I want to speculate I do it elsewhere than in my business," He was speaking of the practice of some retailers—the practice of speculating in merchandise. The present Aikenhead store has six floors, filled with hardware, comprising 36,000 items.

• • •

### *Business Doctors*

Business management is an engineering job and there are today a number of "management engineers." I saw the advertisement of one of these engineers in the New York Times, addressed to "the chief executives of manufacturing, industrial and commercial companies." The advertiser said that more than 500 new clients had been served this year. Illustrative results were presented in the advertisement. Here are some of them:

> The "break even" point in operations was reduced to a sales volume 24% below that previously required.
>
> Actual economies in operation were made equal to 7.4% of annual sales volume.
>
> The average hourly earnings of employees were increased 8%.
>
> Net profits were increased 78.4% on the same volume of sales.

This engineering company said that results such as those given above were built upon the cumulative experiences of several hundred engineers in the plants of more than 3,000 clients — an experience representing several million engineering hours.

We have one or two parallel companies in Canada, I am glad to say. Businesses, like human beings, can, and do, get sick and require the services of physicians.

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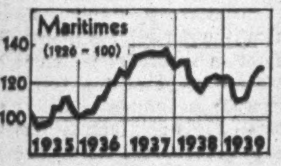
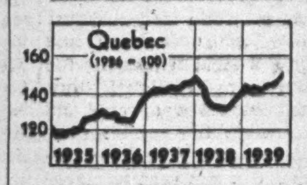
# Business Advances Seen In All Economic Areas

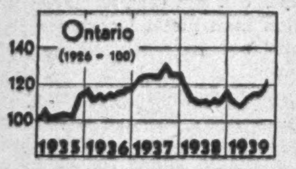
Canadian business showed improvement in October, compared with a year ago, in all economic areas. In each case the rise in the index of business activity was substantial.

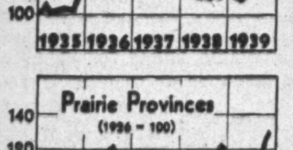
Compared with the previous month, gains were shown in four of the five areas.

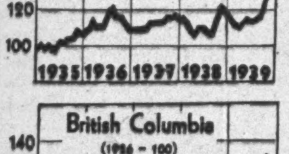
Among the constructive factors during the month were increases in all sections in building permits and electric power output. Employment was heavier in eastern Canada. In Quebec increased newsprint production was a feature.











**Trend of Business in Economic Areas**

| | Oct. 1939 | % Change from Oct. 1938 | Sept. 1939 |
|---|---|---|---|
| **Maritimes** | | | |
| Constr. contr. ...... $ | 1,520,000 | +22.5 | 1,495,000 |
| Bldg. permits ...... $ | 430,000 | +228.2 | 154,000 |
| Life ins. sales .. $000 | 2,781 | +25.4 | 2,867 |
| Bank debits . $000,000 | 68.8 | +30.6 | 58.7 |
| Elec. pwr. .. kw.h. 000 | 77,412 | +1.2 | 75,600 |
| Employment* | 117.9 | +4.7 | 117.9 |
| Shipping ...... tons | 658,152 | +58.2 | 715,691 |
| Exports ........... $ | 5,593,292 | —12.5 | 5,722,756 |
| Index | 129.7 | +4.9 | 129.5 |
| **Quebec** | | | |
| Constr. contr. ..... $ | 3,257,000 | —48.0 | 8,598,000 |
| Bldg. permits ..... $ | 936,000 | —66.8 | 858,000 |
| Life ins. sales .. $000 | 8,249 | +1.3 | 9,137 |
| Bank debits . $000,000 | 774 | —18.1 | 822 |
| Elec. pwr. . kw.h. 000 | 1,090,379 | +11.4 | 981,045 |
| Employment* | 131.5 | +9.9 | 126.4 |
| Impts. of ctn. yarn, lb. | 324,750 | —17.3 | 274,377 |
| Newsprint prod., tons | 280,985 | +10.2 | 253,230 |
| Index | 149.4 | +8.5 | 147.9 |
| **Ontario** | | | |
| Constr. contr. ...... $ | 7,034,000 | —10.7 | 6,902,000 |
| Bldg. permits ..... $ | 3,090,000 | —32.1 | 2,087,000 |
| Life ins. sales .. $000 | 15,151 | +6.7 | 16,185 |
| Bank debits . $000,000 | 1,152 | —0.7 | 1,114 |
| Elec. pwr. . kw.h. 000 | 902,443 | +19.4 | 822,560 |
| Employment* | 124.4 | +8.2 | 121.4 |
| L'stock slaughterings* | 172.1 | +29.1 | 151.8 |
| Steel prod. ...... tons | 149,890 | +96.6 | 124,384 |
| Auto. prod. ...... No. | 9,640 | +67.0 | 3,921 |
| Index | 123.3 | +10.1 | 118.5 |
| **Prairies Provinces** | | | |
| Constr. contr. ...... $ | 799,000 | —80.2 | 1,361,000 |
| Bldg. permits ..... $ | 560,000 | —63.2 | 472,000 |
| Life ins. sales .. $000 | 5,699 | +22.9 | 5,328 |
| Bank debits . $000,000 | 728 | +15.4 | 669 |
| Elec. pwr. .. kw.h. 000 | 194,791 | +3.5 | 171,868 |
| Employment* | 112.7 | +4.3 | 116.4 |
| Wheat receipts .. bu. | 80,192,000 | +29.4 | 176,409,000 |
| Wheat prices** | 70/2 | +14.2 | 73/7 |
| Index | 130.2 | +6.8 | 126.2 |
| **British Columbia** | | | |
| Constr. contr. ...... $ | 1,618,000 | +126.0 | 1,024,000 |
| Bldg. permits ...... $ | 596,000 | +14.4 | 543,000 |
| Life ins. sales .. $000 | 2,499 | +8.8 | 2,797 |
| Bank debits . $000,000 | 176.5 | —5.6 | 167.4 |
| Elec. pwr. . kw.h. 000 | 173,137 | +2.6 | 169,025 |
| Employment* | 115.5 | +7.4 | 118.7 |
| Exports ........... $ | 11,629,144 | +2.4 | 12,453,911 |
| Index | 130.7 | +6.0 | 131.1 |

*1926 =100.
**Cents and eighths of a cent per bushel.

Here's How *THEY* get on the Inside of the 69% *Outside* Market!

Alert, successful advertisers and merchandisers know that 69% of Canada's retail sales are made over the counters in the smaller communities, outside the metropolitan centres.

And they know, too, by experience, that the most direct, most economical, most effective means of reaching the 7,750,000 consumers in that great major market—and of securing the co-operation of the dealers who serve them—is by advertising in the Weekly Newspapers.

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When planning your 1940 advertising budget, be sure to have *all* the facts about the dominant position of the Weekly Newspapers in Canada's 69% outside major market. Write, now, for precise information.

C. V. CHARTERS
*Managing Director*
BRAMPTON, Ont.

CANADIAN WEEKLY NEWSPAPERS ASSOCIATION

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# See Budget Largest Yet

## But Dominion Revenues Expected to Exceed Revised Estimate

From Our Own Correspondent

OTTAWA. — Dominion Government's treasury department now expects the estimates of revenue as revised in September to be exceeded.

The revised budget brought down at the special session in September estimated revenues in the current fiscal year at $516 millions. This figure includes the $21 millions which the Government expects to obtain from increased war taxes on tea, coffee, alcoholic liquors and cigarettes.

Returns for September and October were above expectations. At the end of August, revenue receipts were more than $18 millions lower than in the same period last year. By the end of October the deficiency had been reduced to $8.6 millions.

The increase in receipts in October was $5.4 millions. Similar, if not larger, increases are looked for in each of the remaining five months. The expansion in monthly revenue is likely to be larger if business activity shows future increase.

### Expect Large Deficit

The revised budget estimated the deficit in the current year, exclusive of wheat losses and capitalized defense expenditures at $135 millions. Actually, the deficit, despite buoyant revenues, is more likely to be near the $200 millions mark after taking into account all defense expenditures but before providing for wheat losses.

Present expectations are the special war appropriation of $100 millions will be exceeded. In the first two months of the war only $13.1 millions was actually disbursed for war purposes, but war outlays are gaining momentum.

The outlook as regards wheat is not considered bright. Wheat prices have declined from their September levels. Furthermore, Canada has an enormous quantity of wheat in her elevators, much of which is likely to be still there when a new crop year comes around. Thus, the Government is going to have a storage bill running into millions of dollars, in addition to losses on the 1938 crop.

### Record Budget

Expenditures in the 1940-41 fiscal year are likely to reach the highest peak in the history of the Dominion. Expenditures in each of the past four years have exceeded the $500 millions mark, amounting to $557 millions in 1938-39. The revised budget figure for the current year is $651 millions and this will probably be exceeded. The cost of the war is likely to increase rather than diminish so it would not be surprising to see a budget of $800 millions for 1940-41.

At the same time revenues should also show a very large increase next year. By that time Canada's industrial machine will probably be working at full capacity and that means larger receipts for the tax collector. Incomes should be larger and the Government will benefit from the increased income taxes which it has imposed. Furthermore, returns will start to accrue from the excess profits tax.

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War . . . and Investments II

Following the publication of our brochure "War . . . and Investments," last September, an article outlining the trends of the security markets since the outbreak of war has been prepared. A well diversified list of bond offerings is included. Write for your copy to-day.

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## NINETY-FIRST ANNUAL REPORT OF THE

# CONSUMERS' GAS COMPANY OF TORONTO

## Year Ended 30th September, 1939

Your Directors present herewith the Ninety-first Annual Report of the operations of the Company, together with the Financial Statements for the year ended September 30th, 1939.

The gross operating revenue for the year amounted to $7,398,587, which exceeded by $283,221, the amount required to meet operating expenses, taxes, actual repairs and renewals and the regular dividend.

In addition to its advertising and promotion activities for the stimulation of the use of gas among all classes of customers, the Company has endeavoured to promote the sale of gas for cooking, water heating, refrigeration and house heating, by making available to its customers the most modern, attractive and efficient gas-burning appliances. The sales of such appliances during the year have been substantially increased, while the sales of appliances for the last seven months of the year exceeded those of the corresponding period in the previous year by 49 per cent.

Operating expenses including Taxes amounted to $5,148,300 and compare with $5,046,024 in 1938. The increase for the year of $102,276 is attributable mainly to the larger quantity of coal carbonized and is more than offset by an increase of $155,408 in the value of residuals produced.

Taxes embracing Property Taxes, Dominion Income Tax and Ontario Corporations Tax, amounted to $549,063, or an average of over $10,560 per week. By the provisions of the War Budget passed by the House of Commons on September 12th last, the Dominion Income Tax on Corporations was increased from 15 to 18 per cent. The increased rate will first apply to the earnings of the Company for the year which will end September 30th, 1940.

Total payrolls amounted to $1,871,024. The general scale of wages and salaries has been maintained and conditions of employment further improved. At the close of the year there were 1,236 employees on the payrolls, of whom 76 per cent. had been in the service of the Company for ten years or more.

During the year 31 employees, who had long terms of service to their credit, were placed on the pension list. There are now 45 former employees receiving pensions from the Company.

It was not necessary during 1939 to make any additions to the manufacturing plants. Capital expenditures were confined almost entirely to the extension of gas mains and the installation of gas services to cover districts in which new buildings were being erected.

Expenditures for the upkeep of the various properties and plants totalled $511,544. This sum was charged against the Plant and Buildings Renewal Fund to which Fund there was transferred from earnings the statutory appropriation of $1,093,074, leaving a balance of $581,529 to be added to the Fund. In order to transfer the full appropriation to the Plant and Buildings Renewal Fund it was necessary to draw upon the Reserve Fund to the extent of $298,308.

For many years the Company has carried insurance policies in amounts considered by the Directors sufficient to afford reasonable protection against possible losses from fire, explosions and public liability and property damage accruing by reason of the Company's operations. Upon the declaration of war, guards were placed on duty at the Manufacturing Plants and other protective measures were taken against possible sabotage.

At the end of the year there were 4,340 shareholders of whom 55 per cent. were women. The average holdings per shareholder was 33 shares.

All of which is respectfully submitted.

T. BRADSHAW,
President.

### STATEMENT OF INCOME
**For Year Ended September 30th, 1939**

| | | |
|---|---|---|
| GROSS OPERATING REVENUE: | | |
| Gas Sales | $5,393,007.88 | |
| Residuals Produced | 1,640,444.97 | |
| Merchandise Sold | 269,646.43 | |
| Miscellaneous Revenue | 7,016.04 | |
| | | $7,310,115.32 |
| Production, Distribution and Administration Expenses and Taxes | | 5,148,300.64 |
| NET OPERATING INCOME | | 2,161,814.68 |
| INTEREST EARNINGS NET | | 88,471.77 |
| TOTAL NET INCOME before provision for Plant and Buildings Renewal Fund | | 2,250,286.45 |
| Dividends on Capital Stock | | 1,455,520.00 |
| | | $794,766.45 |
| Transferred from Reserve Fund | | 298,308.17 |
| | | $1,093,074.62 |
| Transferred to Plant and Buildings Renewal Fund | | $1,093,074.62 |

### BALANCE SHEET OF THE CONSUMERS' GAS COMPANY OF TORONTO
**September 30th, 1939**

LIABILITIES

| | | |
|---|---|---|
| Capital Stock | | $14,555,200.00 |
| Reserve Fund | | 5,492,767.30 |
| Plant and Buildings Renewal Fund: | | |
| Amount at Credit October 1, 1938 | $5,859,732.85 | |
| Less Repairs and Renewals | 511,544.80 | |
| | $5,348,188.05 | |
| Appropriation Authorized by Statute | 1,093,074.62 | |
| | | 6,441,262.67 |
| Reserved for Dividend No. 358 | | 363,880.00 |
| Provision for Exchange and Dominion and Ontario Government Taxation | | 177,756.31 |
| Accounts Payable | | 524,080.48 |
| | | $27,554,946.76 |

ASSETS

| | |
|---|---|
| Real Estate, Plant and Equipment | $22,729,681.11 |
| Investment in Dominion of Canada, Province of Ontario and City of Toronto Debentures (At Cost) | 1,984,772.48 |
| Materials and Supplies | 1,390,338.67 |
| Cash in Bank and Offices | 330,098.41 |
| Accounts Receivable, after making provision for Doubtful Accounts | 979,700.77 |
| Interest Accrued, not due | 84,824.13 |
| Prepaid Taxes and Insurance | 105,631.19 |
| | $27,554,946.76 |

Approved on behalf of the Board of Directors.

(Signed) J. F. MICHIE, Vice-President.
(Signed) EDWARD J. TUCKER, General Manager.

We have audited the accounts of The Consumers' Gas Company of Toronto for the year ended 30th September, 1939 and in the conduct of the work have received all of the information and explanations we have required.

We report that, in our opinion, the above balance sheet fairly represents, in accordance with accepted principles of accounting appropriately applied and consistently maintained, the financial position of the Company at 30th September, 1939, according to the best of our information and as shown by the books of the Company.

(Signed) GUNN, ROBERTS & COMPANY,
Chartered Accountants.

TORONTO, NOVEMBER 7TH, 1939.

**Today's Investment Problems**

Involve unusual difficulties and demand vigilance and discernment. Our Analytical Department will be glad to assist investors or trustees to whom such service may be of interest.

**MARA & McCARTHY**

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320 Bay Street Toronto

# Critic Claims Investment Principles are Ignored

*Evidence is accumulating of continued interest in The Financial Post's recent investment portfolio contest, which attracted a gratifyingly large number of entries. This week The Financial Post publishes a letter received from another critic who feels that the articles to which first and second prizes were given fail to meet certain requirements.*

Many important investment principles were ignored in preparing the two portfolios which won first and second prizes in The Financial Post recent contest on "Investing in Wartime," according to P. Paradis, Montreal.

"War is essentially inflationary, especially if it lasts long enough and yet Mr. Scobell loads up his clients with high grade bonds which offer no protection in such periods of rising prices," he says. Such bonds may be desirable temporarily to give an opportunity to take advantage of later chances in the market, "but the placing of one third of the funds in such bonds is definitely out of the question."

### Too Many Stocks

Supervision of an investment account is something which the ordinary businessman has too little time for, adds Mr. Paradis, suggesting that the Scobell portfolio would require too much of this because of the number of issues included which are "at least twice too many and such a portfolio will require far too much attention from its owner." He concludes that: "As a whole, Mr. Scobell's portfolio is unsuited for an ordinary businessman except if the latter was an experienced market operator, who could devote much time to the management of his funds."

Regarding the list submitted by H. J. Bird, and published last week in The Post, this portfolio "appears to be better balanced and does not contain too many different issues. His choice of individual securities indicates that he understood the position of the ordinary businessman much better than Mr. Scobell as his list excludes any highly speculative issues."

### Stress on Income

Mr. Paradis points out that it was "specifically mentioned that income was only secondary in the choice of the portfolio and that emphasis should have been placed on the protection of capital and appreciation."

He continues:

"Yet Mr. Bird includes nearly $15,000 worth of preferred stocks which have no appreciation possibilities and are attractive only as income producers. Moreover, he specifically recommends a group of stocks for income, and what is more remarkable in such a group is the fact that it contains two gold mining stocks which are definitely under a handicap in wartime on account of the inflexibility of the price of gold in comparison with rising mining costs. The income from such stocks may be reasonably secure but no appreciation can be expected from them and they are likely to have a declining market trend in a long war."

## Municipal Finances

**Brandon, Man.,** total revenue for the first 10 months of the year was $5,000 lower than in the same period last year.

* * *

**Fort William** reports the best tax collections in many years. To the end of October, 93.2% of the 1939 levy was collected.

* * *

**Regina** collections of both current and arrears in the first ten months of the year amounted to 91.3% of the year's levy. It is anticipated that collections for the entire year will exceed levy.

* * *

**Hamilton**, because of the high regard in which its finances are held has been able to obtain favorable borrowing rates. The city recently sold $200,000 of six-month treasury bills at a rate of 1¾%.

* * *

**Vancouver** City Council reports that its new policy of advancing the date for tax deposits by two months is a success. On the first day that deposits could be made, there was approximately $385,000 contributed toward 1940 taxes.

* * *

**North Bay, Ont.,** collection of current taxes in the 10 months to Oct. 31 were $516,197, or 78.11% of total levy. Collections of arrears totalled $118,134. Both amounts show an increase over the same period last year.

* * *

**Victoria** tax collections in the first ten months of the present year were higher than they have been for the same period since 1932, according to a statement issued by the muncipal government. At the end of October, 79.52% of total levy was paid, while last year this figure amounted to 78.99%.

* * *

**Moose Jaw** reports that actual expenditures for the first nine months of the year were lower than estimated expenditures, while actual revenue exceeded the estimated revenue. Actual expenditures amounted to $562,696, while estimated expenditure for the period was $599,381. Actual revenue amounted to $339,264, and estimated revenue totalled $313,344.

* * *

**Lethbridge, Alta.,** two city utilities, electric and water, in the nine months of the year ended Sept. 30, made a surplus of approximately $20,000 in excess of the surplus made during the same period last year. For the nine months of the year, total costs of unemployment relief was $110,489, with the city share, $57,224, against $125,566 and $76,116 in the same period last year.

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Many men spend their lives creating an estate only to have it dissipated after their decease, through appointing inexperienced executors. Assure the permanent protection of your dependents by appointing an enduring, efficient trust company.

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J. F. HOBKIRK, Manager

# Would Hold 20% Fund in Cash

## Honorable Mention Entry Splits Stock List to Get Income and Appreciation

*This week The Financial Post begins publication of entries in its recent contest to which Honorable Mention awards were given. D. J. Agnew, author of the article published this week, is employed as investment analyst and statistician by F. O'Hearn & Co., Toronto brokerage firm.*

*Like other winners whose articles are selected for publication, Mr. Agnew is being given the opportunity of presenting his own ideas which are not necessarily those of either The Financial Post or the contest judges.*

By D. J. AGNEW

"Consequently, this country is at war with Germany." These momentous words, spoken by Prime Minister Chamberlain in the House of Commons on Sept. 3, 1939, brought down the curtain on another act in the drama of history. Even those in the audience who were aware of the acceleration of events were surprised at the abruptness with which the curtain fell. As though expecting the act to continue the audience was slow to realize that the final curtain had fallen. However, to keen observers it was apparent that there would be no other scenes in this act of the drama, and that the audience must be prepared for a different setting, different experiences and a different story—in short, virtually a new play.

Investors following the drama on the world stage were the most bewildered of all. No one knew the plot of the new play. The fact that it would contain "The Foreign Exchange Control Board, and the Excess Profits Tax" further confused the audience. To date most investors, still living with the events of the previous act, have failed to make any forecast of the events to come, and have failed to recognize that a new play is about to begin. The member of this audience with $50,000 to invest must consider the new script. He must forget the previous characters and the previous story, and must make some attempt to forecast the plot of the new act. Although the details cannot be foreseen, certain events have cast their shadows before, and five main premises may be set forth for the guidance of our investor:

### Five Major Factors

1. That the war will last at least three years. This period has been mentioned by leading politicians of Europe and consequently must be accepted as the most authoritative forecast we can obtain.

2. That Canada, because of her peculiar position away from the dangers of actual hostilities, will become a production agent for all war supplies. This should produce an industrial boom of increasing acceleration, which will be reflected in all types of business. This forecast is substantiated in a recent statement by Lord Riverdale, head of the British Air Mission to Canada, in which he said, "We want everything you can make. You are bound to have a tremendous boom in trade in Canada."

3. That greater financing will be required for this war than for that of 1914, and as taxation is now at extremely high levels, the prospective tremendous increase in debt can only be effected under controlled inflation methods. The effects have been forecast by Hon. J. L. Ilsley, Canadian Minister of Revenue, in his War Budget Speech on Sept. 12: "We can also divert our resources to war purposes by inflation. We create additional supplies of money and use them to purchase what we need. In this case, just as in others, what we take for war purposes someone else must do without. Instead of taking money from the individual citizen in the forms of taxes or loans we put our new money into competition with his old money and take the goods and services away from him by forcing prices up against him."

4. That the exigencies of governmental and industrial finance will produce a demand for new capital which will be so persistent that it will force rising yields, in spite of the present apparent surplus of cash funds.

5. That industries which are established purely to provide war materials will not be permitted to make excessive profits.

If these premises are rational, they demand that our investor attempt to meet them by proper allocation of funds. The potential effects of these premises on the Canadian economy demand that in these early stages investments be more widely diversified than has been necessary in recent years. The portfolio in accompanying column is designed to meet the most important ramifications of the above premises, as well as to provide a satisfactory performance for the investor of $50,000, who is interested primarily in protection against the future, and is seeking a return on his capital with some prospects of capital appreciation.

### Cash in Reserve

In the first place, it is my suggestion that the investor place $10,000, or 20% of the funds for investment, in cash. Thus he will be in a position to participate in new financing which will be necessary over the course of the next few years.

Some $10,000, or 20% of the amount to be invested, should be placed in industrial bonds. It will be noted from the portfolio that I do not recommend government bonds. Although we have no accurate statistics, individual Dominion of Canada bonds, in the Great War period, showed declines ranging up to 22%. I do not suggest that there will be a similar decline in Dominion of Canada bonds in the present war period, but I do suggest that, as the demand for new money increases and as inflation begins to take place, interest rates will rise with a resulting decline in high-grade bond prices.

### Convertible Bonds

The bonds chosen for this portfolio, therefore, are chiefly bonds which have conversion features, thus protecting the investor to a large degree from the depreciation in high-grade bonds prices. The bonds of Algoma Steel, Dominion Steel & Coal, Nova Scotia Steel & Coal, and Canadian Pacific Railway, have this conversion privilege, and represent companies which should benefit to the greatest extent from Canada's war effort. Dominion Tar & Chemical and United Grain Growers bonds, having no conversion features, are chosen because they are selling below par, and because they represent industries which will quickly reach capacity in Canada's war effort.

Twenty-four per cent of the money to be invested, or $12,000, should be placed in what I call "investment for protection of income." This group includes stocks which should provide a stable income and little chance of capital loss, even under conditions of rising interest rates. An examination of the issues chosen for this group shows a high percentage of gold stocks. Because of a widespread belief that gold issues usually give an unsatisfactory performance in wartime, this selection may require a few words of explanation.

It is argued that mining costs increase sharply under war conditions and that, as gold companies have a fixed selling price, profit margins are sharply reduced. Consequently, mining stocks show sharp declines. In the first place, the rise in mining costs will not be as sharp as in 1914-1918. Canada, having tripled her production facilities since that time, can meet many of the demands of the mining industry without hampering her war effort. High prices for supplies due to acute scarcity will not occur. Secondly, our senior gold mines now have such large ore reserves that selective mining can completely offset any moderate increase in costs. Thirdly, gold can no longer be considered fixed in price.

Since the declaration of war Canadian gold mines have been receiving $38.50 per ounce, instead of $35, and inflation prospects make a further rise a long-run possibility. Fourthly, Canadian gold stocks, although few in number, actually showed a 25% appreciation between June, 1914, and 1918, and with the tremendous growth of ore and cash reserves between 1914 and 1939, can be expected to at least give a similarly encouraging performance. Therefore, as the companies mentioned in the portfolio all have proved ore reserves, the profit from which equals more than half the present price of the stock, I consider that these issues have outstanding characteristics to maintain capital and to provide a constant revenue.

McColl-Frontenac preferred and Ogilvie Flour preferred have been included in this group, first because they have outstanding records of dividend payments. McColl-Frontenac has paid full dividends on its preferred stock since it was issued in 1928, while Ogilvie has paid the full dividend on its preferred stock since the company's incorporation in 1902, despite widely fluctuating earnings and serious company deficits from time to time. Secondly, they were included because the companies represent two industries, flour and oil, which will meet consistently increasing demand under war conditions.

Noranda has been chosen for this group not only for its outstanding position as a copper mine, but because, through its own operations and through the operations of its subsidiaries, it is such an outstanding gold producing company that the return from its gold output completely covers the cost of its copper operations, thus guaranteeing sufficient income to meet present dividend payments.

### For Capital Appreciation

Thirty-four per cent, or $17,000, should be placed in issues whose chief characteristics are not their strong equity position or their long record of dividend payments, but rather their appreciation prospects under war conditions. Although this may seem a disproportionate investment of funds in a group which is considered speculative, I am firmly convinced that as Canada proceeds with her war effort the funds now invested in high-grade stocks and bonds will flow increasingly to this group, with a resulting appreciation in prices. The stocks included in this group are the least speculative of numerous companies which are producing either war materials or commodities which will be under constantly increasing demand. They also represent companies which, because of this insistent demand, will provide a hedge against any inflationary tendencies. Further, they have the favorable characteristic of being less liable to heavy excess profits taxation, because their earnings in relation to investment capital are still relatively small.

#### Heavy Industries

The following issues are selected for this group as representative of the heavy industries which are now operating at or near capacity and which, because of Canada's war effort, should continue this high level of operations:

Dominion Bridge.

Dominion Foundries & Steel.

The following are selected as representative of industries which will benefit sharply in the domestic market from the acceleration of general industrial activity and greatly increased agricultural income in western Canada. They also own plants which at some future date could be converted into munition production:

Ford of Canada.

Massey Harris.

General Steel Wares.

### War Demand

I have selected the following issues specifically because the nature of their products indicates an insistent wartime demand.

B. A. Oil, representative of the important oil industry.

Wilsil, representative of the meat-packing industry which will be so important both for domestic and foreign demand.

Celanese, representative of a rapidly growing industry which produces substitutes for wool and cotton and which may well reach large proportions due to sharp increases in wool and cotton prices.

Lake of the Woods, representative of Canada's important flour industry, which must play a vital rôle in supplying foodstuffs to both the civil and military populations of Great Britain and her Allies.

Cosmos Imperial Mills, the premier representative of Canada's small cotton textile industry, the capacity of which will be strained by industrial as well as the usual clothing demand.

Price Brothers, representative of Canada's important newsprint industry. This industry, as in the last war, will benefit substantially from the elimination of European competition and its proximity to the American market, which is the largest newsprint consumer in the world.

#### Smelters

Consolidated Mining & Smelting, representative of the lead and zinc industry in Canada. Although not in a position to show an immediate increase in earnings, due to the present price-fixing policy for lead and zinc, this company is, at the same time, an essential producer of war commodities. Of all the Canadian base metal companies "Smelters" will show the largest leverage in earnings on any improvement in base metal prices.

Canada Steamship Lines Preferred, as the outstanding representative of the transportation industry in Canada. Because of its importance as a link in our transportation system, the company must feel the benefits of increased industrial activity throughout Canada. The demand for Canadian wheat in Europe will, as in the last war, be an important and insistent source of increased earnings. The capitalization of this company is much smaller than that of Canadian Pacific Railway and, therefore, earnings per share will more quickly reflect the anticipated sharp increase in traffic.

### Conclusion

"Consequently, this country is at war with Germany." This, rather than normal investment theories, must be the theme of any portfolio today.

Does the above portfolio give protection against the future?

Some 32% of the amount invested is in the steel and heavy industry groups which will rapidly reach and maintain capacity throughout the duration of the war, with the prospect of sustained prosperity after the many lean years. Some 26% of the capital is placed in companies producing essential commodities which, through their economic importance, will appreciate quickly, providing protection against inflationary trends. Four per cent of the portfolio is placed in transportation securities which will be the focal point of the tremendous increase in industrial activity. Thus, 62% of this portfolio is placed directly in investments for wartime. But, this portfolio also realizes the possibility of unforeseen events producing a sudden peace.

Twelve per cent of the investment is comprised of gold stocks which protect the capital through their strong equity position in war or peace. Six per cent is placed in Canadian base metal stocks which, although not currently attractive, have excellent long term possibilities either under war or peace conditions. Lastly, with 20% of the portfolio in cash, our investor has funds available either for changes in war demands or to quickly re-adjust the portfolio to conditions of peace. Further, this cash is available for patriotic investment in the securities of the Dominion of Canada, when the Canadian Government calls upon private capital to "do its bit" in Canada's war effort.

#### Return on Capital

Does this portfolio provide a fair return on the capital invested?

The yield on the total portfolio is 3.92%, which must be considered as a fair return under current conditions. Dominion of Canada bonds maturing up to 1946 give an annual yield of 2.19% to 2.77%. But since it seems inevitable that both business and governmental demands for new money will take up the present surplus of cash funds, government bonds hold prospects of loss of capital, whereas the above portfolio is so weighted as to protect both the investment and the yield.

Does this portfolio present prospects of capital appreciation?

Through its emphasis on heavy industry and commodities, this portfolio is heavily weighted for capital appreciation. In addition, 34% of the funds have been invested in issues specifically selected for appreciation possibilities. Should stock prices approach their 1937 levels, this group alone would add 35 to 40% to the capital of the portfolio.

Investment is no longer static. In the past many types of securities could be purchased with no fear that the future would bring capital loss. This is no longer true. The war of 1914-1918 so accelerated industrial growth and changed methods of government finance that the previous idols of sound investment were found to have feet of clay. We cannot be sure that the present idols of investment will not be torn down, but we can be sure many new idols will be erected. With hostilities in the early stages, the investor's only protection is to so widely diversify his funds that the future will fulfill a large number of his forecasts. Successful investment in wartime, implying as it does the forecast of future events, can go no farther. Later the trend of events may be clearer, but this portfolio, through its wide diversification, can easily be adjusted to new conditions.

* * *

*As it is now some time since the contest closed, The Financial Post is giving contestants an opportunity to add comment before their articles are published. Mr. Agnew has written the following:*

As I regard the whole problem as one of placing a substantial amount of money for relatively long-term investment, there is very little that I can add to my comments, which accompanied my portfolio. It occurs to me the two winning portfolios presented a total yield which was considerably above mine. This may be explained by the fact that I assumed that our businessman had ample income for his ordinary requirements, and not being interested in paying additional taxes, would regard capital appreciation as a most important characteristic.

The inclusion of a number of stocks which are not currently paying dividends, as well as the inclusion of a number of stocks which at the present time are only paying small dividends, is part of my belief that capital appreciation should be emphasized. It is also my opinion that as we do not know the exact nature of the forthcoming expansion in Canadian industry, that high yields at present market prices are an unattractive feature. In my opinion, they express considerable rather than investment attractiveness. Believing as I do that a wide diversification of funds in primary industry is a main premise for investment at this time, my portfolio is the opposite to the two winning portfolios, which have been published.

With the exception of the $10,000 in cash, my portfolio would require a little management during the next 18 months or two years. The cash funds, of course, should be kept constantly in mind to be placed in those investment fields which, although presenting little opportunities at this time, may eventually develop as the war progresses.

## $50,000 PORTFOLIO

Total Investment .......... $49,945.00
Annual Income .......... $1,952.50
Percentage Yield .......... 4.01%

### Bonds — $10,490

| Principal | Company | Coupon | Annual Income $ | Price Oct. 16 $ | Amount Invested $ | Price Nov. 27 |
|---|---|---|---|---|---|---|
| $3,000 | Algoma Steel ....... | 5 %-'48 | 150.00 | 115 | 3,450 | 110 |
| 3,000 | Dom. Steel & Coal . | 6¼%-'55 | 187.50 | 112 | 3,360 | 108 |
| 1,000 | N. S. Steel & Coal .. | 3½%-'63 | 35.00 | 85 | 850 | 82½ |
| 1,000 | Dominion Tar ...... | 4½%-'51 | 45.00 | 99 | 990 | 100½ |
| 1,000 | Canadian Pacific .... | 3 %-'45 | 30.00 | 86 | 860 | 86½ |
| 1,000 | Unit. Grain Growers | 5 %-'48 | 50.00 | 98 | 980 | 98 |
|  |  |  | 497.50 |  | 10,490 |  |

### For Maintenance of Capital — $12,580

| Shares | Company | Dividend | $ | $ | $ |  |
|---|---|---|---|---|---|---|
| 25 | McColl-Frontenac Pfd .. | 6.00 | 150.00 | 91 | 2,275 | 97 |
| 15 | Ogilvie Flour Pfd. ...... | 7.00 | 105.00 | 156 | 2,340 | 156 |
| 25 | Noranda ................ | 4.00* | 100.00 | 75 | 1,875 | 75½ |
| 40 | McIntyre ............... | 3.00* | 120.00 | 51 | 2,040 | 56 |
| 150 | Hollinger ............... | 1.10* | 165.00 | 14 | 2,100 | 14½ |
| 250 | Wright-Hargreaves ...... | .70* | 175.00 | 7.80 | 1,950 | 8.05 |
|  |  |  | 815.00 |  | 12,580 |  |

### For Capital Appreciation — $16,875

| Shares | Company | Dividend | $ | $ | $ |  |
|---|---|---|---|---|---|---|
| 100 | B. A. Oil ............... | 1.00 | 100.00 | 23 | 2,300 | 23⅛ |
| 100 | Ford of Canada ......... | 1.00 | 100.00 | 23 | 2,300 | 21⅞ |
| 20 | Consolidated Smelters ... | 1.50* | 30.00 | 50 | 1,000 | 47½ |
| 50 | Cosmos Imperial ........ | 1.25* | 62.50 | 26 | 1,300 | 27 |
| 40 | Dominion Bridge ........ | 1.20 | 48.00 | 45 | 1,800 | 38½ |
| 25 | Dom. Foundries & Steel | 1.00 | 25.00 | 35 | 875 | 37 |
| 90 | Wilsil, Ltd. ............. | 1.00 | 90.00 | 23 | 2,070 | 22¼ |
| 10 | Massey-Harris Pfd. ...... | .. | .... | 60 | 600 | 57½ |
| 60 | Canada Steamship Pfd. ... | .50 | 30.00 | 18 | 1,080 | 15½ |
| 40 | Canadian Celanese ....... | 1.35 | 54.00 | 23 | 920 | 24¼ |
| 40 | Lake of Woods Com. .... | .. | .... | 27 | 1,080 | 23½ |
| 50 | General Steel Wares .... | .. | .... | 10 | 500 | 9½ |
| 50 | Price Brothers Com. ..... | .. | .... | 21 | 1,050 | 19 |
|  |  |  | 539.50 |  | 16,875 |  |

### Cash

|  |  | Interest | Annual Income $ |  |  |
|---|---|---|---|---|---|
| $10,000 | ........................... | 2% | 200.00 |  | 10,000 |
|  |  |  | 2,052.00 |  | 49,945 |

*Quotations in portfolio submitted Oct. 16. Current prices inserted in last column for purposes of comparison.*

STOCKS BONDS LISTED AND UNLISTED MINING INDUSTRIAL

*Inquiries Invited*

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# Exchange Board Curbs Two Abuses of Rules

The Foreign Exchange Control Board has revised its regulations to give better control over the use of short-term bonds by non-residents to get funds out of Canada. This practice was discussed in a story in The Financial Post recently.

The new regulations provide that no permit is required for transfer of Canadian funds to a non-resident in payment for Canadian securities provided that:

1. "The non-resident reinvests the proceeds of the sale in securities payable exclusively in Canadian funds, such purchase to take place before the sale of the securities being sold.

2. "The securities in which the reinvestment of the proceeds of the sale takes place do not mature within three years, except that where the securities sold mature within three years the securities purchased may have a maturity not less than the maturity of the securities sold.

3. "If the securities to be sold are held abroad and the securities purchased are to be exported, applications for an export license and an import license should be submitted simultaneously to the board for approval."

It will not be necessary to reinvest the entire proceeds of any sale under these regulations, but the amount reinvested must not be less than the proceeds of the sale by more than 10% or $1,000, whichever is the smaller. No permit is required to pay this 10% or $1,000, whichever is the less to a non-resident.

### Rules on Exchange Sales

To circumvent the attempts by non-residents to get around the provisions of the Exchange Control in other parts of the Empire through Canadian transactions or otherwise to obtain a form of foreign exchange to which they are not entitled, is also the object of new regulations.

The only foreign currency which may be sold by authorized dealers to pay for imports from any part of the Empire is sterling or the local currency of the part of the Empire concerned. Even in the case of this local currency it is generally true that exchange requirements would have to be purchased in London. If for any special circumstances another currency is required, the application must be referred to the Board itself. It is, of course, quite possible to continue to accept payment in Canadian dollars.

### Remitting Income

Where foreign exchange is being sold to remit income accruing in Canadian dollars, it is expected that the foreign currency to be sold shall ordinarily be that of the country, where the non-resident to whom the remittance is being made and who is applying for the exchange, actually lives. On special request, however, sterling may be sold for remittance to non-residents who are citizens of a British Empire country and United States dollars for non-residents who live in non-British Empire countries.

Where a Canadian resident receives foreign exchange for the account of a non-resident it is ordinarily expected that the resident will remit to the non-resident in the same currency as received. Variations from this have to be specifically requested.

Ordinarily the Board will not provide foreign exchange or permit the transfer of Canadian dollars to a non-resident for the purpose of paying for goods bought by a Canadian resident which are to be shipped to another foreign country or which are to be imported into Canada and exported again, unless the goods are to be processed in this country.

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Investing in Wartime

# Emphasizes Value of Bonds

## Would Minimize Inflation Danger Through Using Convertible Securities

*Out of the hundred odd articles which did not receive a prize in The Financial Post Investment Contest, a number have been selected for publication. The first of this special series is presented below.*

*J. F. Clark, author of the accompanying entry, is statistician with W. C. Pitfield & Co., Montreal firm of investment dealers.*

*Like all other entrants whose articles have been published, Mr. Clark is presenting his views on investments. It is recognized that differences of opinion on the ideal portfolio will always exist and the stocks and bonds listed here are not necessarily those which the judges or The Financial Post would select.*

By J. F. CLARK

## Over Half in Bonds

### Bonds

**High Grades**

| Amt. | Name | Rate % | Mat. | Approx. Price Oct. 27 | Cost $ | Income $ | Yld. % | % of Ttl. % | Price Nov. 27 |
|---|---|---|---|---|---|---|---|---|---|
| $ 5,000 | C.N.R. (Dom. Gtd.) | 3 | /45-50 | 97¼ | 4,862.50 | 150.00 | 3.30 | 9.70 | 96 |
| 5,000 | Quebec .......... | 3¼ | /49 | 97 | 4,850.00 | 162.50 | 3.63 | 9.68 | 95½ |
| 5,000 | Ottawa L., H. & P. | 4 | /57 | 102 | 5,100.00 | 200.00 | 3.84 | 10.17 | 100¾ |
| $15,000 | | | | | 14,812.50 | 512.50 | | 29.55 | |
| **Other Bonds** | | | | | | | | | |
| $ 3,000 | Saskatchewan ... | 4 | /54 | 72 | 2,160.00 | 120.00 | 7.06 | 4.31 | 74 |
| 4,000 | Dosco Convert.. Part. (call 110) ..... | 6¼ | /55 | 118 | 4,720.00 | 250.00 | 4.65 | 9.41 | 108 |
| 4,000 | Algoma Steel 1st Mtge. Convert. (call 105 to Nov. 1/43) ... | 5 | /48 | 118 | 4,720.00 | 200.00 | 2.73 | 9.41 | 110 |
| 3,000 | Price Bros. 2nd Mtge. Convert. (call. par after Mar. 1/42) | 4 | /57 | 106 | 3,180.00 | 120.00 | 3.54 | 6.34 | 99 |
| $14,000 | | | | | 14,780.00 | 690.00 | | 29.47 | |
| $29,000 | Bond Totals ................ | | | | 29,592.50 | 1,202.50 | | 59.02 | |

### Stocks

| Shs. | Name | Approx. Mkt. Price 27/10/39 | Cost (excl. of comm.) $ | Indicat. Annual Divd. $ | Indicat. Annual Income $ | Curr. Yld. % | Total Cost of Portfolio % | Price Nov. 27 |
|---|---|---|---|---|---|---|---|---|
| **Heavy Industries**—Including aircraft manufacturers. | | | | | | | | |
| 50 | Dom. Found., c. | 39½ | 1,975.00 | 1.00 | 50.00 | 2.53 | 3.04 | 37 |
| 25 | Nat. Stl. Car, c. | 72 | 1,800.00 | 2.00 | 50.00 | 2.78 | 3.59 | 68 |
| 25 | Dom. Bridge, c. | 44 | 1,100.00 | 1.20 | 30.00 | 2.73 | 2.19 | 39 |
| | | | 4,875.00 | | 130.00 | | 9.72 | |
| **Oils**—Crude producers. | | | | | | | | |
| 100 | Imperial Oil, c. | 18⅝ | 1,862.50 | 1.25 | 125.00 | 6.70 | 3.72 | 16¼ |
| 75 | B. A. Oil, c. ... | 23¼ | 1,743.75 | 1.00 | 75.00 | 4.30 | 3.48 | 23⅛ |
| | | | 3,606.25 | | 200.00 | | 7.20 | |
| **Base Metals**—Producers and refiners. | | | | | | | | |
| 25 | Inter. Nickel, c. | 49½ | 1,237.50 | 2.00 | 50.00 | 4.04 | 2.47 | 47⅜ |
| 25 | Noranda, c. ... | 79¼ | 1,981.25 | 4.00 | 100.00 | 5.05 | 3.95 | 75½ |
| | | | 3,218.75 | | 150.00 | | 6.42 | |
| **Textiles** | | | | | | | | |
| 75 | C. Celanese, c. | 23 | 1,725.00 | 1.00 | 75.00 | 4.35 | 3.44 | 24¼ |
| **Power and Chemical** | | | | | | | | |
| 75 | Shawinigan, c. . | 24¼ | 1,818.75 | .90 | 67.50 | 3.71 | 3.63 | 22½ |
| **Foods** | | | | | | | | |
| 50 | Ogilvie Flour, c. | 35 | 1,750.00 | 1.00 | 50.00 | 2.86 | 3.49 | 34 |
| 100 | Can. Canners convert. part. pf. | 14 | 1,400.00 | .60 | 60.00 | 4.28 | 2.79 | 11¾ |
| | | | 3,150.00 | | 110.00 | | 6.28 | |
| **Pulp and Paper** | | | | | | | | |
| 50 | Fraser Cos. V.T.C.'s ......... | 22 | 1,100.00 | ... | .... | ... | 2.19 | 18¼ |
| 100 | Donnacona, cl. A | 10½ | 1,050.00 | ... | .... | ... | 2.10 | 8⅝ |
| | | | 2,150.00 | | ... | | 4.29 | |
| | Total for stocks ... | | 20,543.75 | | 732.50 | 3.52 | 40.98 | |
| | Totals for portfolio | | 50,136.25 | | 1,935.00 | | 100.00 | |

*Quotations in portfolio submitted October 27. Approximate current prices inserted in last column for purposes of comparison.*

With the war hardly more than begun, it is becoming increasingly clear that Canada's major contribution will be in the economic field—a principal source of supply to the Allies of foods, metals, airplanes, ships, mechanized equipment, armaments, munitions and of many other requirements of modern warfare. Canada, by reason of its vast economic resources—largely developed since the last war—safe location and accessibility to Europe, is undoubtedly destined to become a centre of important war industries.

The British Government has already placed in this country one of the largest orders in history for copper, amounting to approximately 80% of a full year's production of the mines of the Dominion. Negotiations are also reported under way with the British Government for the sale of a substantial amount of Canadian wheat. Certain companies have prepared their plants for the production of airplanes. So far only in its infancy, the airplane industry is, nevertheless, sufficiently advanced in experience and equipment to be shortly producing airplanes in ever increasing numbers and will probably soon be receiving orders running into the hundreds of millions of dollars.

### Armament Orders

A great new armament industry is in process of being developed and plants all over the country are, or soon will be, producing munitions and equipment on a vast scale. Companies, such as railway equipment manufacturers, possessing large machine shops will be turning to the manufacture of mechanized equipment, artillery, munitions, etc.

It is quite possible in fact that such enormous amounts of money may be spent in Canada on war orders that it will require development of huge new industries and important expansion of existing ones to meet war requirements. Large profits for existing companies able to fulfill war orders are indicated and a continued rising market for their shares appears in prospect.

The expenditure of such large sums of money as is in prospect cannot fail to stimulate business throughout the country with prosperity in evidence everywhere. The increasing tempo of economic activity is almost certain to bring with it inflation—higher prices for goods and services of all kinds, including wages, and higher cost of living. But inflation also results in increased profits, with the common shares of most companies increasing in value. Common shares thus offer a satisfactory hedge against the possibility of inflation.

### War Hedges

Much depends of course upon how long and devastating this war proves to be. Although no one can be sure, the evidence points to a prolonged war. While the Germans would have us believe that they do not want to continue fighting France and Great Britain, they have not put forward acceptable peace terms. Government spokesmen for the Allies have consistently stressed that their aim is to continue the war to a satisfactory decision. Finally, Germany, after its intensive preparation, can hardly be defeated in a matter of a few months unless serious revolution breaks out within the country. Indicative of a long war was the action of the Canadian Government in taking over control of foreign exchange. The same implication may be taken from the action of the British Government in mobilizing all foreign securities held by British subjects.

A businessman should therefore purchase common shares as a hedge against inflation and because they offer him an excellent opportunity to participate in the war-stimulated growth and expansion of Canadian industry.

Unless he intends to speculate recklessly, a businessman should also invest a fair proportion of his estate in bonds—high-grade bonds as a certain source of cash in necessity, the balance in bonds giving a better return but offering prospects of capital appreciation. Should his equity investments not prove up to expectations, his bonds will provide him with funds to average his stock investments in an endeavor to recover lost capital. Sound bonds are a haven in adversity.

### Protection

The high-grade list should consist of well-seasoned bonds with safety of principal and price stability taking precedence over yield. Low coupon bonds are preferable to high-coupon bonds selling at substantial premiums because of the saving in income taxes.

An especially attractive businessman's investment is a convertible corporation bond which is convertible on a favorable basis into common stock, offering as it does security of capital and income and yet possessing almost all the price appreciation possibilities inherent in the stock itself.

Another group of securities meriting the attention of the businessman investor are those bonds and preferred shares selling at substantial discounts and which possess possibilities of price appreciation because of improving economic conditions.

The pulp and paper industry in Canada, for instance, offers a wide selection of such depreciated bonds and preferred stocks. Then again there are many bonds issued by western provinces and municipalities which appear cheap as they have continued to pay interest and yet can be purchased at substantial discounts from par. A bumper wheat crop this year following a fair crop last year—evidence that the prairies have again entered a cycle of bountiful crops—and strong wartime demand for their products all combine to indicate that the Prairie Provinces are at last about to experience greater prosperity and improved credit.

With $50,000 to invest, it is suggested that the businessman divide his funds approximately as follows:

| | |
|---|---|
| $15,000, or 30%, | in high-grade bonds. |
| 15,000, or 30%, | in bonds offering price appreciation possibilities and to include convertible bonds. |
| 20,000, or 40%, | in equity securities, sufficiently well diversified as to give adequate participation in the principal industries likely to benefit under present war conditions. |
| $50,000 | 100% |

### Convertible Bonds

The convertible bonds of three companies have been selected, namely, Dosco 6¼'s, Algoma Steel 5's and Price Brothers 4's for a total investment of $12,620, equal to 25% of the value of the portfolio. These bonds provide a secure income producing investment in two of the most promising wartime industries, steel and newsprint, at the same time offering an opportunity to profit through appreciation in value of the investment with further rises in the price of the common shares.

While the Dosco and Algoma bonds are both callable the financial position of neither company at the present time is sufficiently strong to enable either one to extinguish its debt except through conversion and the common shares would undoubtedly have to sell at considerably higher levels before holders would convert. Price Brothers 4's are fortunately not callable before March 1, 1942. In each case the premium over the call price may be considered as cheap insurance against a relapse in the stock market.

Only thirteen stocks have been selected but these cover seven separate industries: heavy industry (including aircraft), oil, metal, textile, power and chemical, food and pulp and paper. Also, only the more important companies, those with adequate resources, both financial and material, and whose shares are listed and actively traded, have been chosen.

### Heavy Industry

Referring to the portfolio in the accompanying column, it will be noted that most emphasis has been placed on the heavy industry group of companies all of which have large plant capacities and which collectively have facilities for manufacturing wholly or in part, munitions, ships, mechanized equipment, airplanes and other implements of war. Such industry constitutes the backbone of modern war effort. The $4,875 invested in such stocks, amounting to 9.72% of the portfolio, plus the $9,440 invested in Dosco and Algoma Steel convertible bonds, gives a total heavy industry investment of $14,315, or nearly 29%, but 65% of the total investment in heavy industry is secured by mortgage.

Imperial Oil and British American Oil are the two largest oil companies in Canada, have ample crude resources and operate their own transportation facilities. In this age of mechanized warfare oil is a vital necessity and is regarded as a satisfactory inflation hedge.

Through the purchase of International Nickel and Noranda shares, the investor secures a participation in Canada's important nickel, copper and gold producing industries.

### Textiles-Power-Foods

Canadian Celanese, in addition to being an important producer of artificial silk products which will be in demand as substitutes for other textiles, could perhaps also be included among the chemicals as its plants can be adapted for the production of chemicals required for war uses.

While the outlook for power companies depending mainly upon domestic sales of electricity may not be promising under inflationary conditions due to rigid rate structures, Shawinigan stands in a much better position, being principally a wholesaler of power with ample capacity for expansion of output. Shawinigan Chemicals, a subsidiary, is the second largest chemical producer in Canada. Its business was established during the last war for war purposes.

No businessman's list would hardly be complete without having representation in Canada's important flour milling industry which is rapidly regaining its export business in Britain and on the European continent. Ogilvie Flour, one of the largest flour milling companies in the British Empire, has a strong financial position and is understood to have an important investment in the stock of Consolidated Smelters, one of the world's largest and lowest cost producers of lead and zinc.

Canadian Canners, the largest canning organization in the British Empire, should secure substantial orders for canned goods because of the ease of storage and transport of processed foods.

### Pulp and Paper

The outbreak of war has worked a transformation in the outlook for the pulp and paper industry. All classes of pulps have strengthened sharply in price and demand for pulp produced on this continent has increased sharply due in part to restrictions on Scandinavian supplies through the increase in cost of transport and shortage of bottoms. The consumption of pulp is also rising rapidly because of increased industrial activity both in Canada and in the United States. Likewise, the Canadian newsprint industry has benefitted from the reduced supply of Scandinavian newsprint in the American market.

Since the newsprint industry sells the bulk of its output in the United States at a price of $50 per ton in United States funds, the present premium on the American dollar of 10% has the same effect as a price rise of $5 per ton in terms of Canadian dollars and has contributed substantially to the improvement in profits being shown by the industry. It might be mentioned here, however, that freight rates which are payable in United States funds absorb part of the premium. The purchaser of newsprint securities must, of course, accept the risk of a decline in such premium.

Fraser Companies is an important rayon pulp, lumber and fine paper producer owning ample timber limits. Donnacona Paper, in addition to operating a newsprint and sulphite pulp mill, also manufactures a building board for which there should be a good demand. Price Brothers is one of the most efficient newsprint producers in Canada, enjoys low-cost power and has large timber limits readily accessible to its mills.

### Balanced Investment

"The characteristics of a sound investment programme embodied in the suggested Schedule of Investments may be summarized as follows:

**Security of Capital and Income**—Provided through the investment of 60% of the portfolio in bonds, one half of which are of the very highest grade.

**Appreciation**—Provided through investment of 40% of the portfolio in a representative list of corporation stocks and 25% in convertible corporation bonds having similar price appreciation possibilities.

**Marketability** — Considerable stress has been placed on marketability to assure flexibility so necessary in these uncertain times.

---

## Algoma Steel Corp. Feels Sales Improvement

Although earnings of Algoma Steel Corp. for the five months ended Sept. 30 of this year were about 35% below that of the corresponding period of 1938, the improving trend of orders noticed in September indicates better results for the balance of the year ending April 30 next.

The new tin-plate mill was placed in operation at the beginning of this season and has been operating steadily since. Because of adjustments necessary in bringing a new plant to efficient operating condition, however, it is not thought that this division will contribute very substantially to earnings this year. Company officials hope for better things from it next year, and state that efficiency of the new mill is quite up to expectations.

Treated ore from the Helen Mine has been coming to the company's plant for the past month or two. Some of it is being used by Algoma Steel itself while the balance is being sold. Like the tin-plate mill, the company expects that this division will be a more substantial contributor to profits next year than this.

---

# Your Investments

*Three-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed. Address letters to The Financial Post, 481 University Ave., Toronto 2.*

### Dominion Woollens

Would you kindly give me your opinion on the advisability of holding the common stock of Dominion Woollens and Worsteds?

Plants of Dominion Woollens are now operating to capacity, and it is believed that earnings in the year ing Dec. 31 will be on higher level than those of the previous year.

Outlook for the common shares is improved by better operations in the current year, although there are heavy requirements before the stock can show any earnings. There is over $1 million of 6% first mortgage bonds and $1.3 million of 6% preferred stock. Since reorganization in 1935 the company has been able to show only very small earnings on the preferred stock. Last year net loss of the company amounted to $182,796, against the net profit of $521 in the 18 months ended Dec. 31, 1937. No depreciation was charged in 1938, while $167,000 was written off for this purpose in the previous period. Bond interest, although not earned, has been paid out of surplus. There was a deficit in earned surplus account of $183,612 at the end of 1938.

One consideration that makes prospects for the present year considerably better is the fact that the company has been able to effect considerable economy in operation, and profits will reflect these moves.

The company manufactures cloth that would be used in soldiers' clothing. On the whole war will boost the demand for the company's products. Regular supplies of wool are being received, although subjected to the control of the Canadian Wool Controller. It is highly unlikely that supplies will be interrupted to the point of impairing operations.

### Dominion Tar

I should like a report on the preferred shares of Dominion Tar and Chemical Co. Do you regard them as a sound investment?

Preferred shares of Dominion Tar and Chemical Co. are by no means the best available in the industrial field. Their present market value indicates that they are regarded as a semi-speculative investment.

The present preferred stock of Dominion Tar & Chemical Co. was issued in 1937 under a plan to liquidate arrears of dividends on the previously outstanding preference stock. No dividends were paid on the old preference shares after May 1, 1932, so that accumulated arrears amounted to $29.25 a share at Jan. 31, 1937. These arrears were cancelled by payment of two common shares and the dividend rate on the preferred was reduced to 5½% from 6½%.

Earnings of the company during the past three years have been more than sufficient to cover the preferred dividend. Last year earnings amounted to $9.57 a share on the preferred as against $11.98 a share in the previous year.

### Bell Telephone

What is your opinion of the common shares of Bell Telephone Co. of Canada?

Bell Telephone Co.'s common stock has a high investment rating. In fact, it is one of the best Canadian common stocks available and is noted for its stability. At the present time the company is paying 8% on its common stock and indications are that it can continue to do so. The outlook for the company is favorable, provided that operating costs during wartime do not rise far enough to cut into the company's profit. With a fixed rate structure there is a potential threat to earnings.

### Alberta Bonds

I am wondering whether Province of Alberta bonds would not be a good investment. What do you think of their prospects?

The outlook for Alberta bonds has improved somewhat. As you know, the province is only paying interest at 50% of the statutory rate, the minimum being 2%. This reduction and buoyant revenues have enabled it to just about balance its budget on an over-all basis.

There are some indications that bondholders can expect better treatment than in recent years. The Social Credit forces have become less active and recently Dr. Jacob Viner of the University of Chicago made a report to the Government suggesting it could do more for bondholders than at present. He suggested the Government might not be able to pay the full rate but that it could pay a higher rate than it is now doing. He recommended the Government enter into negotiations with bondholders.

The report of the Royal Commission on Dominion-Provincial Relations will be available in the near future. The commission is expected to recommend a refunding plan for the debts of the western provinces and also an adjustment in financial relations which will improve their position. If this is accomplished, the position of Alberta bonds will be greatly improved. Of course, there is no assurance the Alberta Government will accept the recommendations.

### Gypsum, Lime

Would you please comment on the outlook for the stock of Gypsum, Lime and Alabastine?

Outlook for Gypsum, Lime and Alabastine, Canada over the coming months, depends on two main factors. Most important of these is the course of building construction in Canada, in which industry the company finds its major market. So far, there has been a tendency for building to slacken off since the outbreak of war, but it is very difficult to foretell what might happen in the future. Prior to the outbreak of war, housing construction was showing substantial gains which were assisting in the company's sales. A factor which should be of assistance is the likelihood of better economic conditions in western Canada.

The other major division of the company finds its chief market among industrial concerns, one of the largest of which is the pulp and paper industry, big user of lime. Sales to this industry will be showing substantial gains because of the higher rate of activity which has prevailed over the past month or two. The company has not been able to establish a very satisfactory earning power and its shares must be classed as speculative. No dividends have been paid on the stock since 1932.

### Professional Offices

Will Professional Offices pay a coupon before the beginning of next year?

It seems improbable that Professional Offices Ltd. will pay a coupon on its 7% first mortgage serial bonds this year, if the record of payment in recent years is any indication. The company has been paying a coupon about every eight months and on July 16, 1939, paid the coupon due Jan. 1, 1936. Sources close to the company believe that a coupon should be paid some time in the New Year.

The company has spent a considerable amount of money in making plumbing renewals and modernizing the building in the past year, and the occupancy at present is better than for some time.

Dealers
in
High Grade
Securities

Government
Municipal
Public Utility
and
Industrial Securities

HANSON
BROS.
INCORPORATED
*Established 1883*
255 St. James St. West
MONTREAL
OTTAWA TORONTO

ZELLER'S LTD.

Memorandum descriptive of this Canadian company, operating in the variety-chain-store field, is available on request.

*Ask for Analysis P34*

Greenshields & Co
*Members Montreal Stock Exchange*
*Montreal Curb Market*
507 Place d'Armes, Montreal
TORONTO OTTAWA QUEBEC
SHERBROOKE

CANADIAN SECURITIES

Dominion and Provincial
Government Bonds
Municipal Bonds
Public Utility
and
Industrial Financing

DOMINION SECURITIES
CORPORATION LIMITED
TORONTO MONTREAL WINNIPEG VANCOUVER NEW YORK LONDON, ENG.
*15 King Street West, Toronto*

The WESTERN SAVINGS and LOAN ASSOCIATION
HEAD OFFICE: WINNIPEG, MANITOBA

OFFICES:

| | |
|---|---|
| Agency Building | Edmonton, Alta. |
| 221A 8th Ave. W. | Calgary, Alta. |
| McCallum-Hill Building | Regina, Sask. |
| 411 Avenue Building | Saskatoon, Sask. |

BANK OF MONTREAL
Established 1817

*A presentation, in easily understandable form, of the Bank's*

ANNUAL STATEMENT
31st October, 1939

LIABILITIES

| | |
|---|---|
| *LIABILITIES TO THE PUBLIC* | |
| Deposits<br>*Payable on demand and after notice.* | $ 914,909,050.45 |
| Notes of the Bank in Circulation<br>*Payable on demand.* | 21,767,292.00 |
| Bills Payable<br>*Time drafts issued and outstanding.* | 172,632.57 |
| Acceptances and Letters of Credit Outstanding<br>*Financial responsibilities undertaken on behalf of customers (see off-setting amount in "Resources").* | 7,914,256.36 |
| Other Liabilities to the Public<br>*Items which do not come under the foregoing headings.* | 3,739,690.56 |
| Total Liabilities to the Public | $ 948,502,921.94 |
| *LIABILITIES TO THE SHAREHOLDERS* | |
| Capital, Surplus and Undivided Profits and Reserves for Dividends<br>*This amount represents the shareholders' interest in the Bank, over which liabilities to the public take precedence.* | 77,005,445.86 |
| Total Liabilities | $1,025,508,367.80 |

RESOURCES

| | |
|---|---|
| *To meet the foregoing Liabilities the Bank has* | |
| Cash in its Vaults and Money on Deposit with Bank of Canada | $ 94,641,456.72 |
| Notes of and Cheques on Other Banks<br>*Payable in cash on presentation.* | 29,244,762.91 |
| Money on Deposit with Other Banks<br>*Available on demand or at short notice.* | 77,357,497.05 |
| Government and Other Bonds and Debentures<br>*Not exceeding market value. The greater portion consists of gilt-edge securities which mature at early dates.* | 517,171,255.95 |
| Stocks<br>*Industrial and other stocks. Not exceeding market value.* | 470,131.88 |
| Call Loans outside of Canada<br>*Secured by bonds, stocks and other negotiable securities of greater value than the loans and representing moneys quickly available with no disturbing effect on conditions in Canada.* | 19,142,173.17 |
| Call Loans in Canada<br>*Payable on demand and secured by bonds and stocks of greater value than the loans.* | 4,573,822.19 |
| Bankers' Acceptances<br>*Prime drafts accepted by other banks.* | 2,767.95 |
| TOTAL OF *QUICKLY* AVAILABLE RESOURCES<br>*(equal to 78.29% of all Liabilities to the Public)* | $ 742,603,867.82 |
| Loans to Provincial and Municipal Governments including School Districts | 36,712,818.28 |
| Other Loans<br>*To manufacturers, farmers, merchants and others, on conditions consistent with sound banking.* | 220,548,911.41 |
| Bank Premises<br>*Two properties only are carried in the names of holding companies; the stock and bonds of these companies are entirely owned by the Bank and appear on the books at $1.00 in each case. All other of the Bank's premises, the value of which largely exceeds $13,900,000, appear under this heading.* | 13,900,000.00 |
| Real Estate, and Mortgages on Real Estate Sold by the Bank<br>*Acquired in the course of the Bank's business and in process of being realized upon.* | 1,073,717.21 |
| Customers' Liability under Acceptances and Letters of Credit<br>*Represents liabilities of customers on account of Letters of Credit issued and Drafts accepted by the Bank for their account.* | 7,914,256.36 |
| Other Assets not included in the Foregoing | 2,754,796.72 |
| Making Total Assets of | $1,025,508,367.80 |
| *to meet payment of Liabilities to the Public of* | 948,502,921.94 |
| *leaving an excess of Assets over Liabilities to the Public of* | $ 77,005,445.86 |

PROFIT and LOSS ACCOUNT

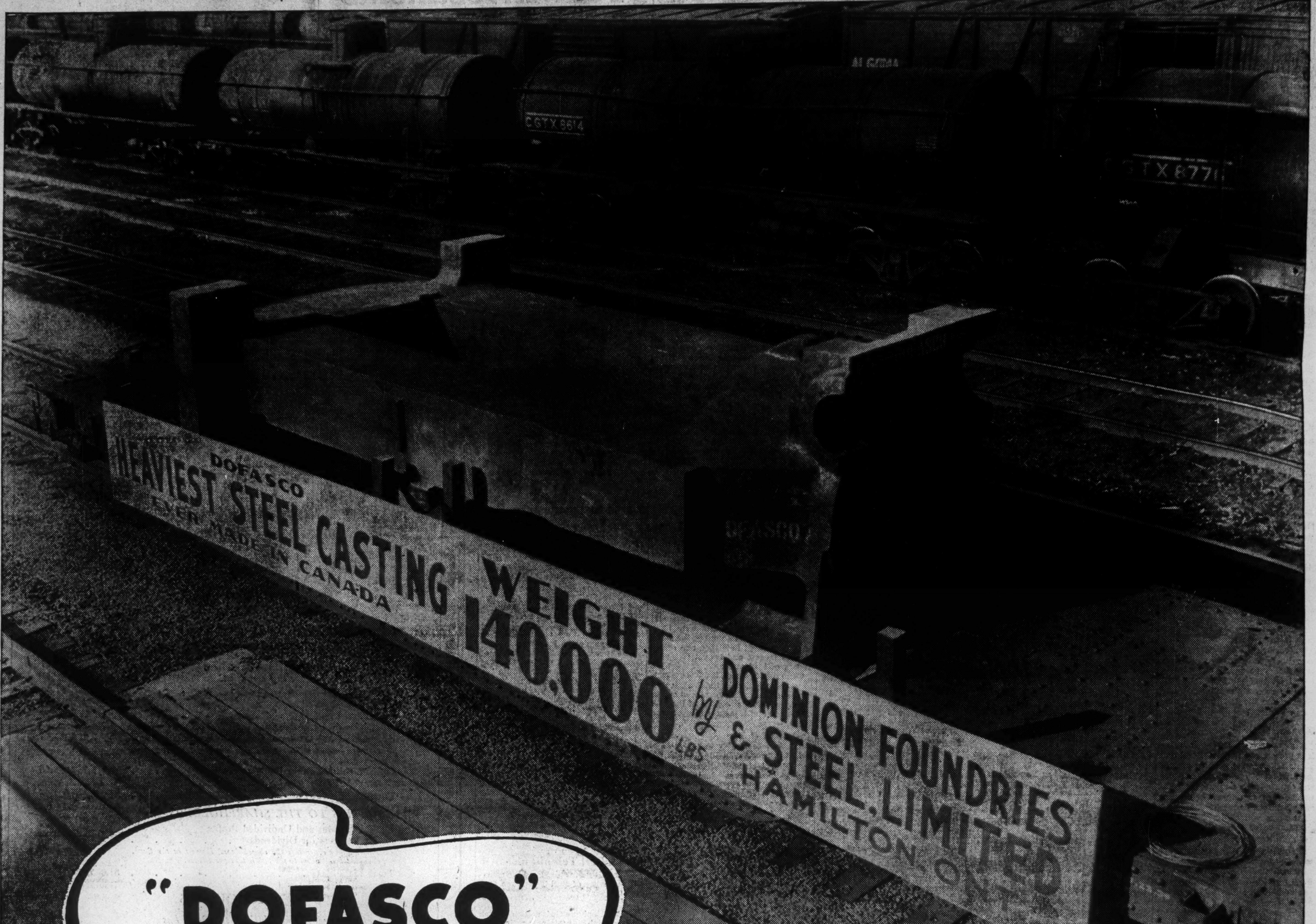
| | | |
|---|---|---|
| Profits for the year ended 31st October, 1939, after making appropriations to Contingent Reserve Fund, out of which Fund full provision for Bad and Doubtful Debts has been made, and after deducting Dominion and Provincial Government Taxes amounting to $1,198,413.43 | | $3,462,446.04 |
| Dividends paid or payable to Shareholders | $2,880,000.00 | |
| Appropriation for Bank Premises | 500,000.00 | |
| | | 3,380,000.00 |
| | | $ 82,446.04 |
| Balance of Profit and Loss Account, 31st October, 1938 | | 1,183,254.52 |
| Balance of Profit and Loss carried forward | | $1,265,700.56 |

HUNTLY R. DRUMMOND,
*President*

JACKSON DODDS,
G. W. SPINNEY,
*Joint General Managers*

* * *

*The strength of a bank is determined by its history, its policy, its management and the extent of its resources. For 122 years the Bank of Montreal has been in the forefront of Canadian finance.*


CGTX 8614
TX 8770
DOFASCO
HEAVIEST STEEL CASTING
EVER MADE IN CANADA
WEIGHT
140.000 LBS
by
DOMINION FOUNDRIES
& STEEL LIMITED
HAMILTON, ONT.

"DOFASCO"

*Still pioneering*

• • • •

# HEAVIEST STEEL CASTING

## EVER MADE IN CANADA

Technical problems in making Steel Castings of such size are many. Approximately 230,000 lbs. of molten steel were required to make this, which is one of two housings for a temper mill in the new "Dofasco" Cold Strip Mill. The skill and experience that made this huge casting is available to every buyer of "Dofasco" Steel Castings.

**AT THE TOP FOR QUALITY TOO!**
**"DOFASCO" STEEL CASTINGS**

CANADIAN STEEL for CANADA

Any Size or Quantity Any Alloy
The "DOFASCO" Range is Complete and Includes
Mild Steel Manganese
Abrasion Resisting
Corrosion Resisting
Heat Resisting
Alloys for all purposes
***Consult Our Engineers***

**DOMINION FOUNDRIES & STEEL LIMITED**
**HAMILTON - - - CANADA**

"DOFASCO" STEEL PRODUCTS
STEEL PLATE STEEL CASTINGS "DOFASCOLITE" TIN PLATE BLUE PLATE TIN MILL BLACK

# THE FINANCIAL POST

Largest Circulation of All Canadian Financial Papers

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# Canada Organizes for War

There are three things about Canada's organization for war that merit the attention of every citizen—the plan, the men and an obligation.

The Democratic system of government has many enemies. They say it is inefficient; and slow. That it never knows what to do in a crisis. That it is bungling; that it can neither serve its citizens nor protect them from exploitation.

The economic preparation for war which has been going on in Canada and Great Britain for months—even years—is one of the most amazing stories in the annals of government.

Great Britain had her plans laid months ago. Hundreds of men were appointed to special jobs—jobs which would come into being the hour war was declared. Plans were complete, even to code words and new telephone numbers for their new offices.

Canada's organization for war was much less complete before war came but has since moved at a rapid pace toward finality. In the first Great War it was not until November, 1916, that the Canadian Government took any action to oversee prices of supplies and essentials. This time, the Wartime Prices and Trade Board was set up four hours after war was declared. The Foreign Exchange Control Board suddenly seized control of our entire business with the rest of the world, conserving our exchange resources, protecting our security markets from capital flight. The War Supply Board was created; an enlarged version of the former Defense Purchasing Board that had been set up following exposures of favoritism and incompetence in the awarding of contracts for war needs. The hour war was declared Royal Canadian Mounted Police picked up enemy aliens, known or suspected of being hostile to the Dominion cause.

The following chart shows the set up of this whole new group of government bodies, which went into action the first few weeks of the War.

The chart also lists the members of these new bodies. One of the most frequent remarks foreign visitors to Canada make is on the singularly high calibre and ability of the top civil servants.

Canada is too little aware of this body of permanent officials. They are the men who keep the administration going; who give some of the departments of government high efficiency and integrity.

Some of these men are better known in Washington, London and Paris than they are in Toronto or Edmonton. In those world capitals their abilities are appreciated. In one or two cases, a much higher price than Canada pays has been offered for their skill—so far without success.

In this time of crisis recognition of their special skills and high abilities has come. The Advisory Committee on Economic Planning is a particularly significant instance. This body, composed entirely of top civil servants, has the duty of coordinating all phases of Canada's organization for war, and of advising the Prime Minister on measures desirable for the welfare of the nation.

Other special servants of the Dominion are those who have been called in from important posts in industry to do special jobs, like Wallace R. Campbell, president of the Ford Motor Company of Canada Ltd., or R. C. Vaughan, vice-president of the Canadian National Railways, both directing the work of the War Supply Board. Many of these are dollar a year men. Others are doing big jobs at government pay and at serious monetary cost to themselves.

Canada's organization for war is on no small scale. The object — making ourselves economically great and making the biggest possible contribution to Allied victory—has the unanimous support of all loyal citizens. Canadian business affected in one way or another by war board activities has given prompt co-operation with the various boards.

But the obligation of every Canadian is to see that our traditional liberties are restored to us, undiminished, when war is past. Winning the war is now the national object greater than all others. To do so speedily and at least hardship to ourselves we have acquiesced in the suspension of many liberties and in the creation of what is almost a new form of government.

Efficient though it seems to be, necessary though we now believe it, we have delivered ourselves over into the hands of a bureaucracy that can walk into our homes, peer into and regulate every type of business transaction from the sale of a big bond issue to the purchase of a pound of cookies.

## THE CABINET

### Advisory Committee on Economic Policy

**PURPOSE:** To study and advise the Cabinet on economic problems, consider means of strengthening the domestic economic position and to co-ordinate the work of other governmental boards.

**W. C. CLARK,** Chairman, Deputy Minister of Finance.
**Graham F. Towers,** Governor, Bank of Canada.
**Hugh D. Scully,** Commissioner of Customs.
**Hector McKinnon,** Tariff Commissioner.
**Dr. R. H. Coats,** Dominion Statistician.
**Norman Robertson,** Department External Affairs.
**L. D. Wilgress,** Department Trade and Commerce.
**Dr. Horace Barton,** Deputy Minister of Agriculture.
**Col. H. DesRosiers,** Deputy Minister of National Defense.
**Dr. Charles Camsell,** Deputy Minister of Mines Resources.

## SUPPLY

**DEPT. OF TRANSPORT**
**Hon. C. D. Howe**

### War Supply Board

**PURPOSE:** To mobilize the resources of the nation for production of munitions and war supplies and to take action required to assure an adequate supply of all commodities required for prosecution of the war.
Office: Birks Building, Ottawa.
**WALLACE R. CAMPBELL,**
Chairman,
Ford Motor Co. of Canada.
**R. C. Vaughan,**
Director of Purchases,
Vice-pres., C.N.R.
**Hon. Gordon W. Scott,**
Secretary.
**H. Borden, K.C.,**
General counsel.
**C. E. Gravel,**
Member, Montreal.
**C. W. Sherman,**
Steel industry matters.
**H. B. Chase,**
Director Industrial Relations,
Brotherhood Loco. Engs.
**W. J. Sanderson,**
Director of Aircraft Supplies.
Fleet Aircraft.
**J. A. D. McCurdy,**
Asst. Director Aircraft Branch.
**Edward Fitz Gerald,**
Director of Munitions Prodtn.
**General Purchasing Agent:**
J. R. Eaton.
W. D. Low, assistant.
**Clothing Purchasing Agent:**
G. Briggs.
**Machinery Purchasing Agent:**
L. L. Price.
**Lumber Purchasing Agent:**
C. E. Morshead.
**Electric Equip., Motor Trucks:**
C. S. Doheney
**Coal, Coke, Gasoline, Oils:**
W. Atkinson.
**Aircraft Purchasing Agent:**
D. P. Buckley.
**Shipbuilding and Marine:**
D. J. Carswell.
**Construction:**
Major W. G. Swan.

* * *

### Empire Air Mission

**PURPOSE:** To negotiate plans for training Empire pilots in Canada.
**BARON RIVERDALE,**
Chairman.
**Air Chief Marshal Sir Robert Brooke-Popham,**
**Air Marshal Sir C. L. Courtney,**
**J. B. Abraham,**
**G. Capt. A. Gray,**
**G. Capt. J. M. Robb,**
**G. Capt. L. N. Hollinghurst,**
**J. R. Smyth,**
**F. R. Howard,**
**F. F. Scarle.**

### British Supply Board in Canada and U. S.

Offices: Parliament Buildings, Ottawa, Main Bldg.
**PURPOSE:** To represent the British Government in negotiations for war supplies on this continent.
**COL. J. H. M. GREENLY, O.B.E.,**
Controller General.
**Sir Jas. Rae,**
Deputy Controller.
**ARTHUR B. PURVIS,**
Director of Purchases in U. S.,
President, Canadian Industries
**Fred Johnson,**
Administration.
25 Broadway, New York.
**E. N. R. Trentham, C.M.G.,**
Assistant.
**REPRESENTATIVES:**
**Treasury:**
J. A. C. Osborne.
**Admiralty:**
Admiral Sir Percy Addison.
Eng. Rear Ad. H. A. Sheridan.
H. R. Stevens, assistant.
**Ministry of Supply:**
Maj. Gen. R. F. Lock.
J. Crone, production.
J. B. Gordon, inspection.
**Air Ministry:**
Air Vice Marshal R. M. Hill
H. L. Stevens.
**Director of Contracts:**
A. C. Boddis.

**DEPT. OF AGRICULTURE**
**Hon. J. G. Gardiner**

### Agricultural Supply Board

**PURPOSE:** To mobilize Canadian agricultural industry to facilitate maximum export of agricultural supplies to Great Britain and her allies and to ensure that the agricultural resources of the Dominion shall be utilized to the best advantage.
Offices: Confederation Building, Ottawa.
**A. M. SHAW,** Chairman,
Director Marketing,
Dept. Agriculture.
**S. R. Norris Hodgins,** Secretary.
**Dr. A. T. Charron,**
Asst. deputy min. agric.
**R. S. Hamar,**
**Dr. E. S. Archibald,**
Dir. Dom. Experimental Farms.
**G. B. Rothwell,**
Director production Dept. Agric.
**Dr. J. M. Swaine,**
Director research, Dept. Agric.

**DEPT. OF TRANSPORT**
**Hon. C. D. Howe**

### Ship Licensing Board

**PURPOSE:** To license all ships of over 500 tons registered in Canada so as to restrict and control voyages between ports outside Canada
Offices: Hunter Building, Ottawa.
**ROBERT K. SMITH,**
Chairman.
Director Marine Service,
Dept. of Transport.
**Arthur W. Merriem,**
Dept. Nat. Revenue.
**Com. J. A. Heenan,**
R.C.N.
**F. E. Bawden,**
Director Trade Routes.
Dept. Trade, Commerce.
**J. R. O'Malley,** secretary,
Dept. Transport.

### Transport Controller

**PURPOSE:** To superintend, particularly in respect to priority of movement, the transportation of troops, naval forces, materials.
**T. C. LOCKWOOD,**
Chairman.

## CONTROL

**DEPT. OF FINANCE**
**Hon. J. L. Ralston**

### Foreign Exchange Control Board

**PURPOSE:** To enable Canada to conserve her external buying power, to protect the securities markets and to prevent undesirable fluctuations in exchange
Offices: Bank of Canada, Ottawa.
**GRAHAM F. TOWERS,** Chairman,
Governor, Bk. Canada.
**W. C. Clark,**
Deputy Min. Finance.
**H. D. Scully,**
Commissioner Customs.
**L. D. Wilgress,**
Dept. Trade Commerce.
**N. A. Robertson,**
Dept. External Affairs.
**STAFF,**
**Donald Gordon,**
Deputy governor, Bk. Canada.
**J. E. Coyne.**
Secretary.
**R. H. Tarr,**
Asst. sec.
**D. B. Mansur,**
**K. A. Henderson,**
**L. P. Saint-Amour,**
**A. McD. McBain,**
**D. G. Marble,**
**W. B. Watson,**
**SPECIAL SECTIONS:**
**General—D. B. Mansur.**
**Foreign Exchange—S. Turk.**
**Intelligence—A. McD. McBain.**
**Securities—D. R. Walker.**
**Insurance—A. M. Campbell.**
**Trusts, Estates—W. D. Matthews**
**Commercial—W. L. Gordon**

**DEPT. OF JUSTICE**
**Rt. Hon. E. Lapointe**

### Advisory Committee on Enemy Aliens

**PURPOSE:** To adjudicate appeals by enemy aliens or others detained under Defense of Canada regulations.
**JUDGE FRANK L. SMILEY,**
Chairman
Junior County Court,
Carleton Co.
**W. P. J. O'Meara, K.C.,**
Asst. Undersecretary of State.
**Jacques Fortier,**
Legal Advisor, Dept. Transport.
**INTERNMENT OPERATIONS:**
**Brig. Gen. E. E. B. Panet,**

**POSTMASTER-GENERAL**
**Hon. Norman McLarty**

### Censorship Co-ordination

General Offices: Victoria Building, Ottawa.
**WALTER S. THOMPSON,** Chairman. Director publicity, C.N.R.
**MEMBERS:**
**J. A. Sullivan,**
Post Office Dept.
**Lt. Com. C. P. Edwards,**
Dept. Transport.
**Lt.-Col. R. F. Landry,**
Can. Broadcasting Corp.
**SPECIAL SECTIONS:**
**PRESS: Claude Melancon,**
French publicity, C.N.R.
**L. Clare Moyer,**
Clerk of the Senate.
**J. S. Roe,**
Examiner publications.
**C. J. Hanratty,**
Deputy press censor.
**CABLE AND TRANS-OCEAN RADIO:**
**Lt.-Col. W. W. Murray,**
Dept. Nat. Defense.
**POST OFFICE:**
**John A. Sullivan,**
Deputy Postmaster Genl.
**F. E. Joliffe,**
Post Office Dept.
**DEFENSE:**
**Col. Maurice A. Pope,**
Dept. National Defense.
**EXECUTIVE ASSISTANT:**
**G. H. Lash.**

**DEPT. NATIONAL DEFENSE:**
**Hon. N. McL. Rogers**

### Real Estate Adviser

**PURPOSE:** To assist in the leasing of barracks, storage, hospitals, training and other purposes of various military groups.
**LIEUT.-COL. GOODWIN GIBSON,**

**SECRETARY OF STATE**
**Rt. Hon. E. Lapointe (acting)**

### Voluntary Service Registration Bureau

Office: Parliament Buildings, Ottawa.
**PURPOSE:** To record and organize offers of voluntary service and to see that best use is made of these offers.
**DR. E. H. COLEMAN,** Chairman,
Undersecretary of State.
**Dr. H. M. Tory,**
Director Technical Section.
**Major J. F. Cumming,**
Dept. Natl. Defense.
**Major M. F. Gregg,**
Serg. at Arms.
**Miss C. Saunders,**
Civ. Serv. Commission.
**Major E. G. Weeks,**
Dept. Natl. Defense.
**SECRETARIES:**
**J. F. Delaute,**
State Department.
**Major G. W. Ross,**
Dept. Post Office.

### War Charities

Office: Companies Branch, State Department, West Block, Parl. Bldgs.
**PURPOSE:** To administer the War Charities Act passed at the special war session of Parliament making it an offense to solicit, directly or indirectly, without registering with the administrator.
**W. GORDON GUNN,**
Administrator.

### Custodian of Enemy Property

Offices: Central Chambers, Elgin St., Ottawa.
**PURPOSE:** To administer regulations respecting trading with the enemy.
**THE SECRETARY OF STATE,**
Custodian.
**Dr. E. H. Coleman,**
Deputy Custodian.
**A. H. Mathieu,**
Assistant.
**G. W. McPherson,**
Counsel.

**DEPT. OF LABOR**
**Hon. C. G. Power**

### Wartime Prices and Trade Board

Office: Justice Building, Ottawa.
**PURPOSE:** To provide safeguards under war conditions against any undue enhancement in the prices of food, fuel and other necessaries of life and to ensure an adequate supply and equitable distribution of such commodities.
**H. B. McKINNON,** Chairman,
Commissioner of Tariff.
**David Sim,**
Commissioner of Excise.
**F. A. McGregor,**
Combines Investigation.
**A. M. Shaw,**
Director Marketing Service.
**Charles P. Hebert,**
Tariff Board.
**ADVISERS:**
**Prof. H. R. Kemp,**
Univ. Toronto.
**Prof. K. W. Taylor,**
Secretary, McMaster Univ.
**H. D. Anger, K.C.**
Solicitor.
**Rielle Thomson,**
Publicity.
**SPECIAL SECTIONS:**
**WOOL ADMINISTRATOR:**
**David C. Dick,**
304 Dominion Public Bldg.,
Toronto.
**Henry Brown,**
Technical adviser.
**SUGAR ADMINISTRATOR:**
**S. R. Noble,**
437 St. James St. W., Montreal.
**H. J. Hobbins,**
Technical Adviser.
**HIDES AND LEATHER ADMINISTRATOR:**
**Maurice Sampson,**
71 St. Peter St., Quebec.
**Sidney Jones,**
Ottawa; Technical adviser.
**COAL ADMINISTRATOR:**
**J. McG. Stewart, K.C.,**
Halifax, N.S.
**Frank G. Neate,**
Ottawa; (Dominion Fuel Board)
Technical adviser.

# What's Holding Back the War Orders?

By **RONALD A. McEACHERN**
**Staff Writer, The Financial Post**

Canada's main contribution to the Allied war effort is now apparently going to be raw materials, food supplies and credit, more than shells.

For weeks Dominion businessmen have been wondering what was happening about war orders. Official answers were hedged in secrecy, some of it perhaps desirable. But repeatedly the impression was given that Canadian manufacturers should go ahead, get their plants tooled up, hold them in readiness for a major war effort.

Successive indications were that this or that official body practically had their pens poised to sign important contracts. These apparently failed to materialize. After weeks of this, business not unnaturally was baffled, somewhat exasperated, in many cases demanded impatiently to know what had happened to those war orders.

From a variety of sources which can be considered best informed, The Financial Post can now give the following outline of the war order situation.

Original expectations of Canadian business were too great and decisive announcements correcting that misconception were not made.

The war has followed a totally unexpected course, increasing the distortion of the situation. With ships rather than shells the main item consumed so far, both Empire and Dominion plans were thrown out of gear.

It is pointed out that in the past two years the United Kingdom has built up enormous capacity to produce guns, shells and other materials of war. These plants have been going night and day for months. So far the war demand for these things has been very meagre; hence, Britain is building enormous war stocks against the time when war assumes a more violent course.

Canadian industry has got some very modest war orders. It will get more. Aircraft, anti-submarine boats, ammunition and gun barrels are officially stated to form the basis of early purchases here.

Eventually and assuming, of course, it's a long war, Canadian industrial capacity will be employed—not for shell production as in the last war, although some shell business of a varied type may materialize — but for such items as: machine gun carriers, tanks, small and large, land and marine mines, delicate electrical equipment, air frames, cable and various communication devices, small surface ships, both metal and wooden, small metal parts for war equipment, airplanes, etc., explosives, machine guns, small arms and ammunition.

But Canadian industry is not, in the near future, going to get the gigantic orders it has been permitted to envisage. Those must await a completely new phase of the war.

But this can be stated unequivocally: Official Ottawa is laying all its plans and policies on the assumption that this will be a long war—a war of three or four years as planned for by the British Government.

"We can hope," a key Government figure told me, "that the enemy will collapse in two years, eighteen months or twelve months, but at the present time the only realistic path, we believe, is to expect a lengthy struggle."

## British View

Essentially the same view was expressed by one very close to the British Mission. He denied categorically that apparent delay in placing large munitions orders in Canada was in any way influenced by an expectation that war would be terminated shortly.

"Governments generally may be more experienced in how to handle a war than they were last time," I was told, "but too many people are thinking of war in terms of 1917 and 1918—very intense conflict on an enormous scale—rather than of 1914 when it was just getting under way.

"Just as much use is being made of Canada's capacity today as in 1917," this informant declared. Very good use has been made of the time so far.

Opinion differs sharply as to whether precious time is now being lost through failure to award a variety of educational orders and create shadow plants which could almost overnight sweep into large-scale production of munitions and other war supplies.

Some industrialists with experience in actual plant operation and tooling feel very strongly that only sheer good fortune will avert a situation in which Canada will not look back to the first three months of war as the golden opportunity for preparation which was scandalously neglected. They point out the fastest time an adaptable plant could be converted and producing a large volume of war materials would be about six months.

Officials reply that Canadian industry is getting extensive and adequate preparation. It is pointed out that a contract does not actually have to be signed before an important phase of the work is completed.

Procedure is outlined as follows: The British Mission engineers select several Canadian firms of repute and ability which appear able to do a good job on the thing required, such as fuses. The firms are then given specifications and asked to draw up their manufacturing plans and costs. The most attractive of these offers is then orally accepted and the industrialist is told to go ahead, buy the new machinery required and get on with production. The "get going" order is given before the contract is signed and is based purely on mutual good faith.

But it is learned from a very reliable source that hardly any of these "get going" orders have so far been given.

The answer of the industrialists is that a successful air "blitzkrieg" against Britain's arms plants would paralyze the Empire's defense system; that an attempt at rapid conversion of Canadian industry would result in completely unnecessary chaos, inefficiency and eventual dislocation.

The feeling is growing among businessmen who have had a clear picture of the course of actual war preparations at Ottawa that the Government is in all respects following the courses indicated by good business practice.

## Confusion and Delay

Authentic gossip in the capital also has it that the British Mission staff here has been experiencing serious difficulties with jammed transatlantic cables and upset mail schedules; with hard-pressed civil servants in London who send sets of plans with essential parts missing or the wrong plans altogether; with overworked departmental heads who do not find time to reply to cables and queries.

Dollar value of contracts for shells, etc., already awarded by the British Mission to Canadian industry is regarded as necessarily secret, at least for the present. And it is only this type of materials—distinctly for war and army use—that are in the sphere of the British Mission. Raw materials, foodstuffs and so on have been handled by others.

Though it is not stressed, Canada's policy on war in the years of peace undoubtedly has some-

(Continued on page 18)

**Pulp and Paper Industry**

# Bathurst Pays 25c on Class A

### Sharp Pick Up in Operations Since September—Plant at Capacity

**From Our Own Correspondent**

MONTREAL.—Bathurst Power & Paper Co. is now working at full capacity, and if business is maintained as at present, earnings for the coming year "should be very satisfactory," according to R. L. Weldon, president.

Reflecting improvement in the company's business, a dividend of 25 cents a share has been declared on the class "A" stock, payable Dec. 20 to shareholders of record Dec. 9.

**Pick-up Since September**

Operations for the first six months of the year were not on a profitable basis, but since September there has been a sharp improvement. During September a profit was earned after liberal allowance for depreciation and depletion and this result was betered by more than 80% during October.

An increase of 11% in the price of kraft liner and corrugated board became effective Nov. 1, and this increase should be reflected in further improvement in earnings, says Mr. Weldon.

**Large Capital Outlay**

For the period from Jan. 1, 1936, to April of next year, Mr. Weldon states, the company will have expended approximately $2 millions on plant extensions and improvements. The latest outlay of $400,000 is principally for the purpose of decreasing operating costs and will not be completed until April next.

At the end of 1935 net current assets of the company, says Mr. Weldon, were $2,431,000 and at the end of 1939 it is expected the figure will be about this amount, notwithstanding the fact that in the interval the company will have expended $2 millions.

## Screenings

### St. Croix Sets Price

St. Croix Paper Co. has renewed contracts with its customers for the full year 1940 at the same $48 price prevailing in 1939. These contracts have a cancellation "war" clause.

Finch, Pruyn & Co. has advised its customers of a $49 price for the first quarter and a $50 price for the second quarter of 1940.

Action of the St. Croix Paper is especially interesting as it put that company's price policy out of step with the rest of the industry in the States and Canada.

• • •

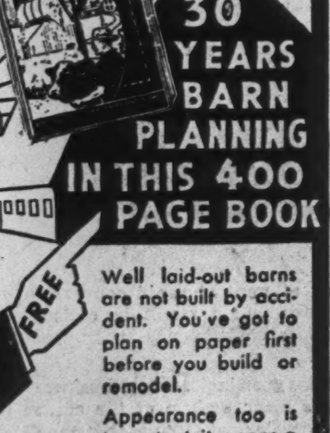
### Seek Better Price

A.N.P.A. reports that contracts are being offered for overseas newsprint delivered in the United States at a differential of $5 a ton under the Canadian price with the buyer paying war risk insurance. This means an insurance of $2 a ton in the European price except in the Great Lakes and Pacific Coast territory. As reported in The Financial Post last week some contracts still call for a $7 differential for delivery on the Atlantic Coast.

• • •

### Great Northern

Great Northern Paper Co. has declared an extra dividend of 40 cents a share on its common stock, which with the regular payment of 50 cents quarterly, brings total distribution this year to $2.40 a share. The stock has a par value of $25. None of the Canadian and very few American newsprint operators are able to do as well.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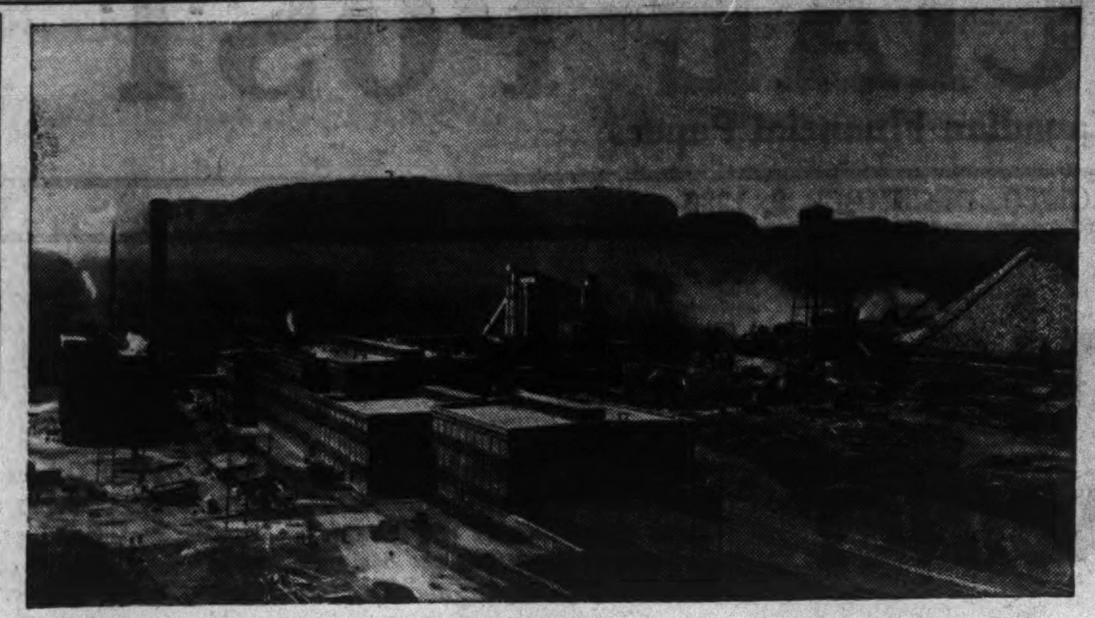

*LOW-COST PRODUCER*

This efficient and low cost 350-ton daily capacity newsprint mill, owned by Great Lakes Paper Co. at Fort William, Ont., has been the centre of controversy over pro-ration in the Canadian newsprint industry.

**Newsprint Securities**

# M. & O. Nears Solvency

### Newsprint Mills Efficient But Lumber and Other Operations Drag on Earnings

**By A. D. ELLWOOD**
**Investment Editor, The Financial Post**

Although not one of the largest companies in the pulp and paper field, Minnesota & Ontario Paper Co. has few rivals in the line of diversification. In fact this very spreading of its interests is sometimes regarded as one of the weakest points in the company's organization.

At International Falls, Minn., and at Kenora and Fort Frances, Ont., this company operates paper, pulp and saw mills, as well as power plants and subsidiary operations. From these mills the company can produce annually 250,000 tons of newsprint, 34,000 tons of high-test kraft liner board, 66,650 tons of unbleached sulphite, 300 million board feet of insulating material sold under the trade name of "Insulite" and over 125 million board feet of rough and finished lumber. Last February, the company installed machinery and equipment for making paper bags, thus utilizing a portion of its kraft paper output.

In its combined Canadian and U.S. operations in the Kenora district, the company also operates its own hydro-electric plants with a combined capacity of 65,000 h.p. and steam plants of 18,000 h.p. In 1937, a contract was arranged with Winnipeg Electric Co. for supply of a minimum of 5,000 h.p. for 15 years at a price of $18 per h.p. per annum for the Kenora plant. In the spring of 1938, a new transmission line was completed and delivery started.

**Plant in Finland**

The Insulite Co., a wholly-owned subsidiary, operates two mills, one at International Falls and the other at Karhule, Finland, making various types of insulating and building materials.

Finally, M. & O. Paper controls National Pole & Treating Co., a firm engaged in the purchase, treatment and sale of forest products, principally cedar poles for electrical transmission lines.

Naturally, all this adds up to a large scale operation. But it has not been a very profitable one for some years. Minnesota & Ontario Paper Co. has been in receivership since 1931, operated by three trustees under the provisions of the U.S. bankruptcy laws.

**A Backus-Brooks Interest**

In at least one respect this receivership and reorganization will be simpler than have been those of most of the newsprint companies that got into financial trouble. Majority common and preferred stocks of the company were originally held by the Backus-Brooks interests. Claims of the trustees against the bankrupt estates of Backus-Brooks Co. have been settled by issuing to the trustees a large portion of the stock of the M. & O. Paper Co. The trustees, in outlining their plan of reorganization, stated that "the debtor company is insolvent and the holders of its preferred and common stock, therefore, have no equity in its assets."

Thus the reorganization plan now before security holders makes provision only for the first mortgage bonds of which there are $24.4 millions outstanding, and the 6% gold notes outstanding to the amount of $3.5 millions, and the general creditors. Under the trustees' plan, a new Minnesota company would be formed with the following capitalization:

**Proposed Capitalization**

| Funded debt: | Author. | Outstand. |
|---|---|---|
| 4% 1st mtge. income bonds .. | $9,760,000 | $9,760,000 |
| Common, n.p.v. | 1,500,000 sh. | 1,344,544 sh. |

**Distribution of Securities**

Distribution of securities under this plan would be as follows:

(1) Holders of the first mortgage bonds would receive $400 of new bonds and 40 shares of common stock for each $1,000 bond held. In addition, certain cash adjustments would be made to equalize interest on the three series of bonds.

(2) Holders of the 6% gold notes would receive 30 shares of common and $7.50 cash for each $1,000 of notes.

(3) Holders of other unsecured debt would receive three shares of common for each $1,000 of claim.

Distribution of the new common on this basis would give bondholders 73.7% of the shares, note holders 7.9% and unsecured creditors 18.4%.

This plan received a preliminary hearing before the Minneapolis courts on Nov. 27, 1939. Discussion will be resumed on Dec. 4. In the meantime there seems good grounds to expect that bondholders, the trustees and other interested parties can adjust the comparatively minor differences that exist and reach an agreement.

**Working Capital Strong**

Under receivership, and partly through postponement of bond interest, M. & O. has been able to build up a working capital strength that is considered adequate for efficient operation. At the end of 1938 cash on hand of $1¼ million was slightly greater than total current liabilities of $1.2 million. At Aug. 31 of this year, cash was $2.5 millions against current liabilities of less than $1 million.

Just what might be a fair estimate of M. & O.'s real earning power is hard to calculate. Actually, only year in which the company has earned enough to provide for expenses and depreciation and depletion since receivership was 1937 when a balance of $380,929 was reported after these charges but before bond interest. Any reorganization is likely to write down assets substantially with a corresponding reduction in requirements for depreciation and depletion.

On the basis of nine months' figures, however, 1939 should exceed this by a good margin. The first three quarters of this year showed $605,440 available for interest, after depreciation and depletion. This seems to indicate that the company's major operations of newsprint, kraft and lumber operations in Canada and the U.S. can be profitable on a good scale, as the 1939 figures quoted do not include European operations nor National Pole & Treating Co.

**Eliminate Subsidiary Lines?**

It has been suggested that M. & O. should drop its auxiliary operations and concentrate on production of newsprint. Its two mills at Kenora and Fort Frances are regarded as efficient, low-cost operators that can compete successfully with other mills. The same cannot be said on some other phases of the company's operations, such as its lumber interests, which have been the source of large losses. The Insulite division is usually regarded as having attractive profit possibilities but opinion seems to support the idea that European operations should be liquidated as soon as possible.

Assuming that the final reorganization plan when adopted will not vary materially from that advanced by the trustees, the company would be left with interest charges of less than $400,000 annually. This interest would be payable out of income as earned although any unpaid portion would be cumulative and due at maturity of the bonds in Jan., 1960. There will be a sinking fund but depending directly on actual earnings in each year and not a fixed charge.

Thus it seems likely that senior charges will be kept down to a level where earnings can readily support them and leave a reasonable balance for the common stock of which bondholders will hold the majority. It is largely in the matter of distribution of the common that bondholders are raising objections to the plan as first advanced.

**Plants Improved**

There are other points of attraction as well. The trustees have been carrying on a programme of plant improvement to increase efficiency and lower costs. Last year one of the machines at the International Falls mill was rebuilt for the manufacture of groundwood specialty papers. The purchase of power from Winnipeg Electric has already proved advantageous to M. & O. Prior to the negotiation of this contract, frequent difficulty was experienced with low water levels which made generation of power uncertain. Now the Kenora mill, one of the most important sections of the properties, is assured of a regular supply of power.

National Pole & Treating is a subsidiary which at one time enjoyed substantial earning power. But in recent years, operations have been unprofitable. Eventually a decision will have to be made as to whether or not to keep this property. In any event, it should not be an entire loss and something should be salvaged from this large investment.

After several years of work and considerable litigation, M. & O.'s affairs have been so far straightened out that presentation of a plan of reorganization is possible. When the company will be finally rehabilitated cannot be forecast with any accuracy but it should not take very long now. When it is finally set up with a reduced funded debt and fixed charge burden, a simplified corporate structure with probably several subsidiaries eliminated, both its stock and bonds should rank among the more attractive newsprint securities available to Canadians.

# Company Reports

## Sherbrooke Trust

Results of operations of Sherbrooke Trust Co. in the year ended Sept. 30 were closely comparable to those of the previous year.

Sales of real estate during the year reduced these assets held by the company to $44,205, being 60% under the high point of 1936.

**Earnings Record**

| Year | Paid-up capital & reserves | *Net profit | Div. rate | Rate earned per sh. |
|---|---|---|---|---|
| | $ | $ | $ | $ |
| 1935 ........ | 484,000 | 20,910 | 6 | 6.97 |
| 1936 ........ | 493,500 | 28,851 | 6 | 9.61 |
| 1937 ........ | 508,500 | 34,970 | 6 | 11.65 |
| 1938 ........ | 524,500 | 36,024 | 6 | 12.01 |
| 1939 ........ | 538,000 | 35,044 | 6 | 11.68 |

*After taxes and depreciation on premises and furniture.

**Creditors' Position**

| | 1939 | 1938 |
|---|---|---|
| | $ | $ |
| Debentures .......... | 319,705 | 328,456 |
| Deposits .............. | 1,509,640 | 1,349,164 |
| | 1,829,345 | 1,677,620 |
| Secured by: | | |
| Liquid assets ....... | 903,909 | 825,329 |
| Mortgages .......... | 1,352,591 | 1,241,885 |
| Other net assets .... | 166,123 | 190,139 |
| | 2,422,623 | 2,257,353 |
| Estates, etc. .......... | 4,063,267 | 3,950,243 |

## Honey Dew

Improved sales and profits in both the final quarter and full year are reported by Honey Dew Ltd.

Sales for the 12 months ended Oct. 31 amounted to $1.2 million, an increase of $86,027 over the previous year. Net profit, after all charges but before income tax, increased to $27,767 from $13,891.

**Profit and Loss Account**
**Twelve Months Ended October 31**

| | 1939 | 1938 |
|---|---|---|
| | $ | $ |
| Add: Other income .. | 6,656 | 6,146 |
| Sales ............... | 1,179,274 | 1,093,247 |
| Gross income ....... | 1,185,930 | 1,099,393 |
| Less: Expenses ...... | 1,093,190 | 1,019,114 |
| Operating profit ..... | 92,740 | 80,279 |
| Less: Depreciation ... | 56,493 | 59,254 |
| Interest ........... | 8,480 | 7,134 |
| Net profit* ........... | 27,767 | 13,891 |

* Before provision for income tax.

## Hiram Walker

Decline in earnings of Hiram Walker-Gooderham & Worts Ltd. in the year ended Aug. 31, 1939, "is principally attributable to moderate reductions in selling prices of certain of our brands in the United States market in line with the general trend in that market," says H. C. Hatch, president and chairman. Net sales are up about $1 million.

Proceeds of the sale of 100,000 preferred shares at $20 a share, less commissions and expenses of $29,160, have been applied toward reduction of bank loans. Additions to plant and equipment during the year were $967,000, represented chiefly by completion of production facilities at Dumbarton, Scotland, and erection of a second rack warehouse at that point.

"During the year the last of the rack warehouses at Peoria was filled and production in the Peoria and Canadian plants is now on a replacement basis. To the extent that war conditions permit, your company will continue to build up whisky inventories in Scotland, although present indications are that this policy may be interrupted during the period of hostilities. Beyond the insurance generally carried the whisky stocks in Great Britain are insured against war risk under the British Government commodity war risk insurance plan. Up to the present no similar insurance has been made available to cover buildings or equipment."

Mr. Hatch adds that sales and earnings for the first two months of this year compare favorably with the corresponding period a year ago.

**Income and Surplus Account**
**Years Ended Aug. 31**

| | 1939 | 1938 |
|---|---|---|
| | $ | $ |
| Net sales .............. | 68,325,809 | 67,201,413 |
| Less: Cost goods sold | 50,640,488 | 48,033,743 |
| Gross profit .......... | 17,685,321 | 19,167,670 |
| Add: Other income .. | 315,707 | 323,119 |
| Gross income ........ | 18,001,028 | 19,490,789 |
| Less: Sell. & gen. exp. | 9,608,501 | 9,671,768 |
| Exec. salaries ...... | 158,833 | 153,583 |
| Legal fees .......... | 81,009 | 92,006 |
| Directors' fees ...... | 20,000 | 20,000 |
| Net oper. profit ...... | 8,132,685 | 9,553,432 |
| Less: Depreciation ... | 837,750 | 730,927 |
| Debenture int. ..... | 484,913 | 326,122 |
| Amortization ...... | 34,217 | 34,198 |
| Bank loan int. ..... | 110,422 | 152,720 |
| Losses, sales raw mats. ............ | 83,263 | 120,899 |
| Exch. adjust. (Scottish) .......... | ...... | 111,810 |
| Losses, capital assets ............ | 786 | 8,937 |
| Incorp. exp. subsid. | ...... | 59,194 |
| Stock issue exp. ... | 29,160 | ...... |
| Income taxes ....... | 1,256,195 | 1,723,656 |
| Net profits .......... | 5,293,979 | 6,284,968 |
| Less: Pref. divids. .... | 534,092 | 460,818 |
| Common divids. .... | 2,896,016 | 2,896,016 |
| Surplus for year ...... | 1,865,871 | 2,928,134 |
| Add: Res. adjust (U.S.) | 244,490 | ...... |
| Previous surplus ..... | 8,576,950 | 15,140,340 |
| Less: W/o goodwill, trademarks, etc. .. | ...... | 9,491,525 |
| Earned surp. forward | 10,687,311 | 8,576,950 |
| Earned per Share: | | |
| Preferred: Earned . | 9.44 | 13.64 |
| Paid ............. | 1.00 | 1.00 |
| Common: Earned .. | 6.58 | 8.04 |
| Paid ............. | 4.00 | 4.00 |
| Shares Outstanding: | | |
| Preferred, n.p.v. ... | 560,818 | 460,818 |
| Common, n.p.v. ... | 724,004 | 724,004 |

**Working Capital**

| | 1939 | 1938 |
|---|---|---|
| | $ | $ |
| Current assets ....... | 36,582,868 | 35,793,432 |
| Current liabilities .... | 7,178,387 | 10,747,804 |
| Working capital ..... | 29,404,480 | 25,045,628 |

**Balance Sheet Items**

| | 1939 | 1938 |
|---|---|---|
| | $ | $ |
| Cash ................. | 2,289,487 | 2,135,154 |
| Accts. rec. (net) ..... | 6,248,524 | 5,283,511 |
| Spirits inventory: | | |
| Canada & G. B.* .. United States† ..... | 20,515,310 | 20,607,318 |
| *Imperial gals. .. | 17,231,730 | 15,897,144 |
| †U. S. gals. ....... | 44,804,524 | 41,075,728 |
| Bank loans .......... | 3,044,930 | 5,973,730 |

# U. S. Newsprint Demand Moves Up 4.3% in October

**From Our Own Correspondent**

MONTREAL.—Indicated consumption of newsprint paper in the United States during October was 4.3% greater than for the same month a year ago.

Reports received by the American Newspaper Publishers Association from its members show that last month they used 257,520 tons of paper. These reports cover about 77% of the apparent consumption in the States. Adjusting the reported figures to 100% indicates apparent consumption during October of 334,442 tons.

At the beginning of the month the 431 publishers reporting to the A.N.P.A. reported 283,292 tons of paper on hand. They received during the month 259,914 tons and sold 470 tons, leaving 285,216 tons in stock at the close of October. In addition there were 50,053 tons in transit, making a total of 335,269 tons, or 40 days' supply. This is a more or less normal figure and compares with a supply equal to 42 days at the close of the previous month and 42 days at the end of October last year.

Aggregate stocks on hand with publishers and in the mills at the end of last month totalled 659,536, made up of 284,029 tons of mill stocks and 375,507 tons of publishers' stocks. These figures were prepared by the Newsprint Association of Canada. They differ from the one generally reported for publishers' stocks, given as 435,414 tons, for the reason that the association uses a "balance sheet" method. Consequently the figures on publishers' stocks vary from month to month, but by the year-end it is usually found that stocks of paper as reported by the association and the A.N.P.A. are approximately in line.

# Rigid Board Output Jumps

### Demand for Panel Board Boosts Returns for October

**From Our Own Correspondent**

MONTREAL.—Production of rigid insulating board in Canada, as reported by International Fibreboard Co., Building Products Ltd., and Donnacona Paper Co., reported a sharp increase in October as compared with the same month a year ago. Last month 5.5 million sq. ft. were turned out, as against 4.7 million ft. a year ago.

For the first ten months of 1939, production as reported by the three companies totalled 42.1 million ft. This contrasts with 41.1 million ft. in the like period of 1938. The principal increase was in the manufacture of plaster base board.

Particulars of output follow:

| | —October— 1939 | 1938 |
|---|---|---|
| | 000's of sq. ft. | |
| Panel .................... | 4,409 | 3,394 |
| Plaster base .............. | 499 | 571 |
| Roof ..................... | 310 | 521 |
| Misc. ..................... | 304 | 237 |
| Total .................... | 5,523 | 4,725 |
| **10 Months Ended Oct. 31** | | |
| Panel .................... | 31,865 | 31,124 |
| Plaster base .............. | 5,198 | 4,181 |
| Roof ..................... | 2,679 | 3,387 |
| Misc. ..................... | 2,351 | 2,427 |
| Total .................... | 42,094 | 41,121 |

# *Paper Group Pay Bigger Dividends*

**From Our Own Correspondent**

MONTREAL.—Times are better in the pulp and paper business judging by the amount of dividends paid on pulp and paper securities listed on the Montreal Stock Exchange and Montreal Curb Market.

Up to the end of November dividends distributed totalled $797,397. This contrasted with $631,843 in the like period of 1938, an increase of 26%.

## Finnish Paper Mills Ship 70 Cargoes a Month

**From Our Own Correspondent**

MONTREAL. — Finnish Paper Mills Association shipped out 70 cargoes of newsprint in September and maintained a similar level in October, according to Holger R. Sumelius, managing director of the association.

In an interview reported by the Paper Trade Journal, Mr. Sumelius said he saw no reason to believe that serious interference with the Finnish-American trade would occur in the future.

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Faces and Fortunes

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# War Leaves Southward Trek Uncurbed

## Exchange, Transport Adjustments Pave the Way for Sun Seekers

War or no war, it is still going to be cold in all but a few parts of Canada this winter. Many Canadians with time and money to translate their inclinations will find escape from at least the worst of winter, by travel to more temperate and flowery regions.

Canadians' answers to the winter vacation problem have varied widely enough in the past, in accordance with personal tastes, financial resources, length of time available, and accessibility and publicizing of warmer territories. This season, and for who knows how many more seasons, the outlook is further complicated by the financial restrictions, the travel hazards, and the transport curtailments forced by wartime conditions.

It is gradually being realized by Canadians, however, that such hobbles on normal travel are less serious than at first appeared, and in some cases are non-existent. Consequently there is a growing number of indications that volume of winter travel this season will compare favorably with that of recent years.

**Exchange Problem Abated**

With particular regard to the financial curbs on regular winter trips, especially those out of Canada, various developments have offset the extra cost of U. S. trips arising out of the exchange discount on the Canadian dollar. Canadian funds are accepted at par for U. S. motor coach trips, by United Air Lines, and at numerous U. S. hotels. The exchange charge on rail trips to U. S. points has been cut to 3% on many important routes and held to 6% on others.

As to the wartime control over exchange and the taking of funds out of the country, this has been adjusted so far as travellers are concerned. Financing of a trip to the U. S. or other country is no more difficult than in peacetime. Broadly speaking, any reasonable requirement for taking funds out of the country or buying exchange can be satisfied.

On amounts up to $100 for travelling or personal expenses, there is no restriction. Export of amounts over $100 and up to $1,000 can be easily arranged at your bank. Amounts over $1,000 per trip can also be arranged through your bank for any legitimate purpose, though necessity of Exchange Control Board validation in such cases usually means a day or two of waiting.

For all practical purposes, a prospective traveller's own bank has discretionary power to certificate taking out of amounts up to $1,000 and facilitate further amounts within the same limit at reasonable interest. On higher amounts or where the bank is not satisfied in regard to "repeat" requests, there must be a check with the Exchange Control Board, but no obstacles are being put in the way of filling needs for ordinary travel funds.

**Southward Trend**

As far as war changes in direction of winter travel are concerned, there are signs that there will again be a heavy annual trek of Canadians to southerly points in the United States. Any reduction because of the exchange problem is likely to be offset by the virtual suspension of pleasure travel to European resorts and, for the time being, less movement to points in this hemisphere requiring oversea travel.

For those in eastern and central Canada, Florida will again be the watchword because of its comparatively easy accessibility, relatively short trips to reach it, and variety of its subtropic attractions. While many are content with the moderate weather at resorts farther north, the majority will head for points below the "sub-tropic line" running approximately through the centre of Florida.

This definitely warmer zone, with its regular sunshine and colorful tropic vegetation, includes St. Petersburg and Tampa on the west coast and Daytona Beach, Palm Beach and Miami-Miami Beach on the east coast. At all of these points, incidentally, are hotels that will take Canadian funds at par.

**Transport Services**

In anticipation of an encouraging volume of business from Canadian points, both the major Canadian rail lines and leading U. S. roads are completing arrangements to serve Florida-bound Canadians during the next two or three months. While many Americans and a few Canadians go south before Christmas or New Year's, it is a by-word among travel agencies that the majority of Canadians show a definite preference for spending such important festivals at home before going to winter resorts.

However, the period between now and the middle of the month will see inauguration of the principal crack train services connecting Canadian points with Florida resort areas.

For sun seekers from Montreal and other Quebec points, connections are usually made through New York and Washington. From Ontario towns, the route usually runs through Buffalo or Detroit. In recent years, a favored southbound winter train for those from central and western Ontario is the "Florida Sunbeam," which starts its fifth year of winter service to Florida from Detroit on Dec. 15.

This train offers a quick run to both coasts of Florida over the direct scenic route via Cincinnati and Hampton, through the beautiful highland and lake region of central Florida.

**Modern Facilities**

The "Florida Sunbeam" is operated jointly from Michigan Central Terminal, Detroit, by the New York Central System, the Southern Railway System and the Seaboard Railway. This year through sleeping cars from Detroit to Florida will include one of the most popular types of all Pullman accommodations—bedrooms—as well as berths, sections, compartments and drawing rooms. The "Florida Sunbeam" also will have modern reclining-seat coaches. Convenient connections from Toronto make this train especially attractive for Florida-bound travellers from Toronto and other parts of Ontario.

In addition, there are through air-conditioned sleeping cars from Detroit to Jacksonville on the Ponce de Leon. This train offers convenient connections at Jacksonville to all points in Florida. Another popular train to Florida, the Royal Palm, leaves Detroit daily from Michigan Central Terminal over the Big Four Route with through air-conditioned sleeping cars to Jacksonville.

Motorists who wish to avoid the hazards of making the long drive to Florida may ship their automobiles by train on a special low-cost rail ticket. Arrangements may be made with the ticket agent so that the automobile is ready to drive away when the owner arrives at his destination in Florida. This ticket plan for automobiles can be used both by coach and Pullman passengers.

**Streamline Trains**

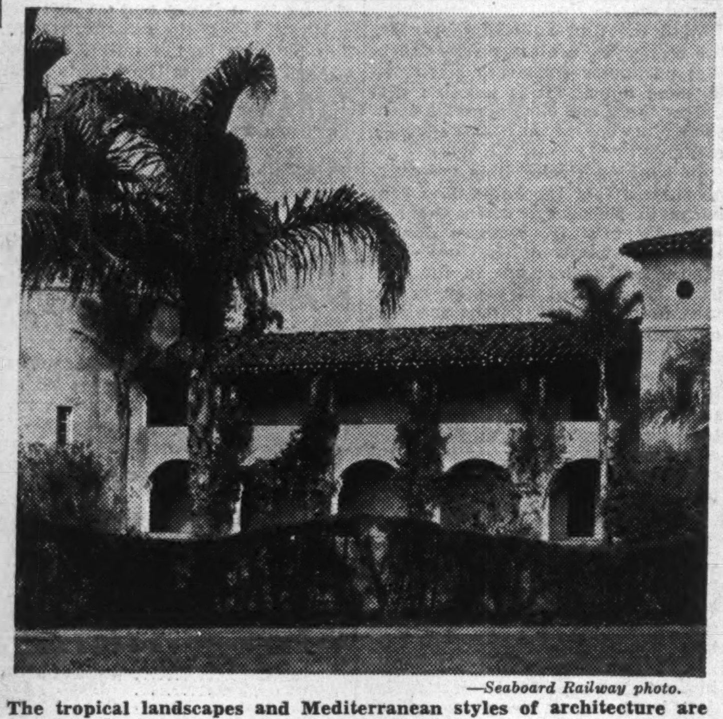
For connections through New York, Washington and Richmond, the Seaboard Railway will operate three streamlined, Diesel-electric powered daily trains to the Sunshine State.

Last year the Seaboard pioneered by offering the first streamliner in the north-south service, its successful "Silver Meteor. Demands for space on this stainless steel train were so great that the Seaboard ordered two more complete trains constructed.

Starting early in December, the three "Silver Meteors" will provide daily all electric service to Florida points, one hour and a half faster than last year. The "Meteors" and other seaboard trains use Pennsylvania Railroad tracks between New York and Washington and those of the Richmond, Fredericksburg and Potomac from Washington to Richmond.

In addition to the daily Meteors, the West Coast Orange Blossom Special, a crack sleeping car and coach train to the Florida West Coast, will be powered for the first time this year by Diesel-electric locomotives.

Gleaming streamlined trains powered with Diesel-electric engines, for a time operated chiefly in the territory west of Chicago, now facilitate the annual winter pilgrimage of sun seekers to Florida. Photo shows one of the Seaboard Railway's "Silver Meteors" getting an informal inspection from interested residents of the Palm Beach district.



—Seaboard Railway photo.

The tropical landscapes and Mediterranean styles of architecture are among the chief attractions for winter visitors to southern Florida. A typical scene is presented by this photo of the Florida Military Academy at St. Petersburg.

# Summer Pastimes Continue On Pacific Coast

British Columbia's winter fishing, gold, sightseeing and other diversions, seem destined to become better known this coming winter than ever before. Many easterners are turning their eyes west across the Rockies to this favored region where the broad Pacific tempers the westerly winds to give Vancouver and Victoria a comparatively balmy climate. Now that adverse U.S. exchange puts the Canadian dollar at a discount, many Canadians, both from the prairies and east of the Great Lakes, are attracted to Canada's own "sun porch" for their winter vacations.

On the Pacific coast, and Vancouver Island in particular, fishing as an all-winter sport shares the spotlight with golf. Horseback riding will appeal to others, while the paved highway stretching north from Victoria up Vancouver Island to Campbell River, headquarters of the world-famous Tyee salmon club, leads to countless beauty spots to delight the heart of tourist and sportsman alike.

Victoria has other pursuits, of course. Right behind the Empress Hotel is the famous Crystal Garden, one of the world's largest indoor salt water swimming pools, where briny water is heated to a comfortable 70 degrees.

Golf on Vancouver Island, as in Vancouver, is an all-year sport, limited in winter only by the fewer hours of available daylight, and all over Victoria and Vancouver Island are beautiful courses.

**Charm of Shops**

Victoria's numerous antique shops and art stores filled with treasures from Europe and Asia make the British Columbia capital shopping headquarters on the Pacific coast for those seeking the rare and unusual. Fine porcelain and silver which once graced the boards of English manor homes are on display in a half dozen Victoria antique shops and silversmiths' establishments.

For hunting, too, Vancouver Island offers sport in winter. Deer, of course, are protected when winter comes, and bears are hibernating, but there is always one animal on the Island which can be hunted in and out of season. He is the stealthy cougar, or mountain lion, a swift-footed, silent marauder who wars on the rancher and sheep-herder and renders poultry raising on more remote parts of the Island a losing business.

On Vancouver Island they are hunted mostly with heterogeneous packs of dogs including collies, terriers, airedales, hounds of a dozen descriptions, and cross-breeds of every known combination.

**Winter Fishing**

As for winter fishing, there are two or three different kinds available.

Close to Victoria is Brentwood Bay, a deep inlet where grilse and spring salmon run in winter. This is "boat" fishing for the troller who must sink his hook deep. There are other bays and inlets close to Victoria for this kind of fishing, too, and if one prefers he can fish "offshore" in a dozen directions. Grilse and salmon up to 20 pounds have been taken in winter off Brentwood.

"Dock fishing," as Victorians call this type of sport to distinguish it from boat fishing, fly fishing or trolling on inland freshwater lakes and streams, has many devotees. It has simplicity to recommend it, and the price is right. It takes but a line—a rod is not absolutely necessary—some bait, and the usual amount of patience. It is not uncommon to see bankers, retired civil service clerks and youngsters fishing side by side at the breakwater in chummy proximity, talking over the war and exchanging bait lore.

Up-island, however, is the kind of fishing the hard-bitten angler likes. The fall rains over, the waters of a dozen famous fishing streams clear and the leaping salmon are again ready to take some interest in a lure. A trip 20 to 70 miles north over the scenic Malahat road by car or the Esquimault & Nanaimo Railway lays a whole system of coastal rivers at the angler's rubber-clad feet.

**Winter Sports, Too**

Ski-ing, a sport which has swept the civilized world in recent years, is embraced by the Vancouver Island category of sports.

A few miles away sportsmen may be angling for spring salmon or lofting a mashie shot toward the green, but on Forbidden Plateau, 100 square miles of alpine wonderland, long treeless slopes echo to the shouts of skiers from all parts of the Pacific coast.

The way to Forbidden Plateau lies through Courtenay, a town some 140 miles north of Victoria. A road stretches from Courtenay some miles toward the plateau but the road in is on foot, though not difficult.

Here, at 5,000-foot elevation is snow which skiers compare favorably with the celebrated "powder snow" of the Canadian Rockies. Reached from Vancouver by British Columbia steamships and a 70-mile drive, Forbidden Plateau has become the ski playground of Vancouverites and Victorians, as well as for others who make their homes in other parts of the district.

To C. S. Wood, Courtenay's sports-loving city engineer, goes most of the credit for developing Forbidden Plateau as a summer playground and a ski ground in winter. For years this unique alpine locality lay undeveloped, until Mr. Wood, from the experience of many explorations through the lakes, streams and forests of the place, decided to make it better known to the world at large. He erected cabins, built a road, and now Forbidden Plateau bids fair to becoming one of the most popular playgrounds, winter and summer, on the whole North Pacific Coast.

The awesome name of this really beautiful place can be laid to the Indians. The Red Man said that this region was infested by evil spirits, and it was taboo to enter its borders. It remained for the White Man to discover the beauties of Forbidden Plateau, its acres of carpety turf ablaze with alpine flowers, its high snow-crowned peaks, its big placid lakes, towering trees and tumbling streams. It is the fervent hope of its many friends that Forbidden Plateau some day soon will be set aside as a National Park and thus preserved for oncoming generations in need of such places for recreation and enjoyment.

# U.S. Air Lines Taking Canadian Funds

Acceptance of Canadian funds at par for air transportation purchased in Canada for flights to U. S. points is announced by United Air Lines, which operates the central transcontinental route from New York through Chicago to San Francisco and other Pacific coast points, and an extension service through Seattle to Vancouver. Hitherto an extra charge for exchange has been made on trips over all U. S. air lines.

Air connection with United's services can be made by Canadians at New York over Canadian Colonial Airways from Montreal; or at New York or Chicago by way of air services from Buffalo, Detroit or Winnipeg; or at Seattle or San Francisco from Vancouver. Effective Dec. 1, flying operations into and out of New York area will be transferred from Newark Airport to the new New York municipal airport at North Beach, Long Island. United is also participating in the construction in downtown New York of a joint central ticket office and bus terminal for five major U. S. air lines.

Marked expansion in current air travel and in the year to date has led United to take immediate delivery of seven new 21-passenger DC-3 planes, and to order 10 DC-4 airliners. Each is powered with four motors and capable of carrying 40 passengers by day, or 22 at night in full-size upper and lower berths. Supercharged for high altitude flying, the new units will make possible a 13-hour service from Montreal to the Pacific coast.

# Streamline Units Put in Service

## Added to Fleet on Chicago-Colorado Winter Route

Following an exhibition tour through five states, the two new streamline de luxe trains of Rock Island Lines have inaugurated a new fast service over the Rock Island route from Chicago to Colorado and intermediate points. This service caters chiefly to winter sports, winter tourist and short trip travel, while service with standard modern equipment is operated for sun hunters over a different Rock Island route from Chicago to Arizona, Southern California and intervening points.

The two new streamline trains are latest additions to the company's fleet of "Rocky Mountain Rockets." The new Rockets each consist of seven lightweight, stainless steel cars, drawn by a new-type 2,000 h.p. Diesel-electric locomotive. With these two new trains, there will be a total of eight Rockets in the Rock Island's fleet of Diesel-drawn lightweight trains.

The Diesel locomotives, built by the Electro-Motive Corp., follow the general appearance of the other Rockets, but are larger and more powerful.

The full-length baggage car, like the rest of the train, is of stainless steel. In the front end of the first of the train's two coaches, there is a mail apartment with a fully equipped railway mail post office, constructed according to government specifications. New finishes and improved seating, lighting and decoration add to the beauty and comfort of the coaches, in which there are new powder rooms for the ladies and smokings rooms for the gentlemen passengers.

**Dining Car Features**

The train's dining car, according to the Rock Island announcement, embodies many distinctive features, including the new fluorescent lighting that produces a light equal to daylight, but without glare. A buffet has seats and tables for the accommodation of 14 passengers who may be desiring refreshments or waiting to be served at the dining tables, which seat 32 people.

Three of the train's seven cars carry sleeping accommodations, two of them being exclusively sleepers. These are new cars, constructed specially for these trains by the Pullman Company. Every type of train sleeping accommodations will be available, from open section berth space to commodious double bed rooms.

The rear car of each train is an observation-lounge car that contains five double bedrooms in addition to a commodious lounging room and buffet, with arrangements comparable to the facilities of the modern exclusive club.

Like the other Rockets in the Rock Island's fleet, these trains are not "extra fare." Pullman space fares will be required of sleeping car passengers, but in the coaches low-priced coach class tickets will be honored.

# Abandoned "Company Town" Proposed as Tourist Resort

A novel and interesting suggestion for development of new tourist facilities, which might well be given study during the winter by tourist and transport agencies as well as the interests directly involved, calls for resort development of the dormant "company town" of Espanola in northwestern Ontario.

Located on the Spanish River 40 miles west of Sudbury, Espanola grew up around the newsprint mill established there by Abitibi Power and Paper Co., now in receivership. But the mill has not been operated for ten years, some of the machinery has been moved to other mills being operated by Abitibi, and there is little or no prospect that the Espanola unit will ever become active again—certainly not as a newsprint plant.

While there is a hotel in the town that still draws visitors, general activity is at low ebb and there are various facilities available for resort operation. The Sault Ste. Marie Star, which recently advanced the suggestion for turning Espanola into a resort town, outlines its assets as follows

Espanola has some 300 well-constructed houses, most of which are not in use, good streets, electric lights, and possesses an ideal location for a summer resort community. Its big hotel, with the largest dining room in the district, still draws many visitors from far and near.

A first class motor road connects with the Soo-Sudbury trunk road (No. 17) and takes the tourist across the Spanish River over a big bridge from which a panoramic view of the falls is obtained.

There's good fishing in the river and in streams and lakes close by, and Espanola's fall hunting is famous. For a ready-made tourist town Espanola seems to have everything. Visitors do not have to do their own cooking if they do not wish to do so.

Lake Penage, a popular rendezvous for fishermen, is only a few miles away and Manitoulin Island and Lake Huron are handy to the town.

The Abitibi company might well consider renting the numerous houses, either en bloc or through its resident staff, which would render unnecessary more overhead expense. It is a practically vacant town with good houses, stores service, a post office, a resident doctor and all the conveniences particular tourists look for.

The company could depend on the co-operation of the district to make Espanola a model tourist camp. The revenue would be considerable, and the benefit to the whole area would be much.

The idea seems to have merits, and the attractions mentioned should draw profitable patronage. The chief problem will be to find the capital and initiative to start such a project.

# West Indies Resorts Continue Active

Despite a wide range of rumors about real and alleged difficulties of winter travel to Bermuda, the Bahamas, and West Indies resorts, regular service is still available by both steamship and airplane and preparations are going forward by tourist and hotel agencies to accommodate a normal volume of winter visitors.

It is admitted that fear and uncertainty about the hazard of wartime oversea travel, and the rumors about both transport and conditions at the resorts, have reduced both current business and advance bookings by as much as 40%. But vigorous efforts are being made to correct baseless stories about the resorts, and hopes are held of improved volume from both Canadian and United States points as the winter progresses.

Canadian National Steamships is still running regular sailings from Halifax and Boston to the West Indies; an American steamship (the President Roosevelt) will start regular sailings to Bermuda early this month, and Pan-American Airways is operating thrice weekly to Bermuda from Port Washington, near New York. Canadian dollars are at a premium in Bermuda and the West Indies. Despite baseless rumors that all hotels in Bermuda were closed and the island turned into an "armed camp," a variety of accommodation is available and more will likely be open as the season progresses.

## More Office Space Filled In Toronto, Survey Shows

Absorption of vacant office space in Toronto, paralleling recent trends in both Canada and the United States, is reflected in the latest report of the Building Owners & Managers Association of Ontario on principal office buildings in Toronto.

The bulletin shows vacant space amounted to 9.44% of the total rentable area of 2,860,403 sq. ft., as of Sept. 30, 1939, in the 52 office buildings surveyed. This compares with a percentage ratio of 9.47% as of April 30, 1939, and 9.17% as of Dec. 31, 1938.

It is the opinion of Association officials that vacancies will be further reduced in the future, particularly in view of accelerated wartime business activity and the curtailment of commercial building, certainly of major projects.

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Insurance

# Auto Figures Show Varying Results

## In Most Provinces Premiums Appear Subject to Upward Revision — In Ontario 1938 Results For Complete Coverage Give Expected Results

Automobile insurance rates for complete coverage across Canada appear to vary from being a little high in Manitoba to too low in Prince Edward Island, according to a report prepared by C. H. Frederickson, actuary of the Canadian Underwriters Association, just made public.

The report was prepared under instruction from the Superintendent of Insurance for Ontario and includes the experience of both association and non-association companies. Data on which the report is based were available from all provinces except Quebec and Nova Scotia. It covers the policy years 1934 to 1938. The last policy, however, includes six months of 1939. The reason for this is that of the losses incurred in the first six months of 1939, it is estimated 70% were on business written in 1938 and consequently belong to that policy year.

### On Present Rate Basis

But as an increase in rates was put into effect by the association last February and this is the level now prevailing it has been necessary to adjust all calculations to the present rate basis.

Accordingly in the first column of figures in the accompanying table, the loss ratios for each of the five years have been adjusted to show what they would have been had all premiums been written at the increased association rates now in effect.

The second column indicates how much too low or too high the actual rate level is compared with the expected one. The plus figures show the percentage the rate for a certain coverage or territory should be increased to bring the loss ratio to the basis looked on as consistent with sound underwriting. In Ontario it is estimated at 53%; in the rest of Canada at 52½%. The minus figures show the percentage reduction that may be made to achieve the same result.

### Results in Ontario

In some cases, it will be seen, the rates on certain coverages are too high and in others too low. In Ontario, for instance, the report indicates that if the rate on public liability were reduced 4% it would bring the loss ratio in line with the accepted 53% for that province. On the other hand the rate on property damage is shown as calling for an increase of 11% to bring the loss ratio in that department up to the same basis. The figures for full collision in Ontario are shown as subject to an upward revision while those for fire and theft are too high. The calculation of total premiums and losses, however, indicate that the rate for full coverage in 1938 was just about where it should be to maintain the theoretically correct loss ratio. In other provinces considerable variation is shown as well.

In five of the six provinces reporting, apart from Ontario, the figures indicate that the total premiums for complete coverage are a little low. In Manitoba, however, a slight redundancy is seen.

Passenger Cars
ONTARIO

| | Loss ratio % | Indicated adjust. of rates % | Aver. cost of claim $ |
|---|---|---|---|
| **Public Liability** | | | |
| 1934 | 48 | —9 | 396 |
| 1935 | 48 | —9 | 435 |
| 1936 | 52 | —2 | 435 |
| 1937 | 54 | +2 | 450 |
| 1938 | 51 | —4 | 463 |
| Aver. | 51 | —4 | 437 |
| **Property Damage** | | | |
| 1934 | 48 | —9 | 34 |
| 1935 | 47 | —11 | 32 |
| 1936 | 51 | —4 | 34 |
| 1937 | 69 | +13 | 34 |
| 1938 | 59 | +11 | 34 |
| Aver. | 53 | 0 | 34 |
| **Collision Full Coverage** | | | |
| 1934 | 66 | +25 | 50 |
| 1935 | 110 | +108 | 70 |
| 1936 | 74 | +40 | 56 |
| 1937 | 84 | +58 | 61 |
| 1938 | 108 | +104 | 74 |
| Aver. | 87 | +64 | 62 |
| **Fire** | | | |
| 1934 | 47 | —11 | 58 |
| 1935 | 40 | —25 | 55 |
| 1936 | 34 | —38 | 51 |
| 1937 | 35 | —34 | 51 |
| 1938 | 42 | —21 | 64 |
| Aver. | 39 | —26 | 56 |
| **Theft** | | | |
| 1934 | 47 | —11 | 18 |
| 1935 | 45 | —15 | 19 |
| 1936 | 42 | —21 | 22 |
| 1937 | 47 | —11 | 26 |
| 1938 | 45 | —15 | 26 |
| Aver. | 45 | —15 | 22 |
| **Complete Coverage** | | | |
| 1934 | 48 | —9 | .. |
| 1935 | 48 | —9 | .. |
| 1936 | 51 | —4 | .. |
| 1937 | 55 | +4 | .. |
| 1938 | 53 | 0 | .. |
| Aver. | 51 | —4 | .. |

Average Five-Year Experience for the Other Reporting Provinces

| | | | |
|---|---|---|---|
| **Prince Edward Island** | | | |
| Public liability | 65 | +24 | 774 |
| Property damage | 59 | +12 | 52 |
| Full collision | 106 | +102 | 73 |
| Fire | 22 | —58 | 116 |
| Theft | 63 | +20 | 145 |
| Total coverage | 57 | —9 | .. |
| **New Brunswick** | | | |
| Public liability | 44 | —16 | 354 |
| Property damage | 48 | —9 | 42 |
| Full collision | 95 | +81 | 75 |
| Fire | 68 | +30 | 173 |
| Theft | 30 | —43 | 94 |
| Total coverage | 56 | +7 | .. |
| **Manitoba** | | | |
| Public liability | 50 | —5 | 440 |
| Property damage | 43 | —18 | 29 |
| Full collision | 67 | +28 | 36 |
| Fire | 36 | —31 | 65 |
| Theft | 63 | +20 | 25 |
| Total coverage | 50 | —5 | .. |
| **Saskatchewan** | | | |
| Public liability | 55 | +5 | 650 |
| Property damage | 54 | +3 | 50 |
| Full collision | 129 | +146 | 90 |
| Fire | 40 | —24 | 107 |
| Theft | 33 | —37 | 39 |
| Total coverage | 53 | +1 | .. |
| **Alberta** | | | |
| Public liability | 56 | +7 | 524 |
| Property damage | 52 | —1 | 51 |
| Full collision | 72 | +37 | 62 |
| Fire | 41 | —22 | 127 |
| Theft | 40 | —24 | 27 |
| Total coverage | 54 | +3 | .. |
| **British Columbia** | | | |
| Public liability | 63 | +20 | 699 |
| Property damage | 43 | —18 | 43 |
| Full collision | 57 | +9 | 39 |
| Fire | 25 | —52 | 66 |
| Theft | 42 | —20 | 16 |
| Total coverage | 54 | +3 | .. |

COMMERCIAL VEHICLES

| | Loss ratio % | Indicated adjust. of rates % | Aver. cost of claim $ |
|---|---|---|---|
| **Ontario** | | | |
| Public liability | 57 | +8 | 433 |
| Property damage | 48 | —9 | 34 |
| Full collision | 40 | —25 | 63 |
| Fire | 45 | —15 | 207 |
| Theft | 39 | —26 | 44 |
| **Prince Edward Island** | | | |
| Public liability | 34 | —35 | 279 |
| Property damage | 47 | —10 | 40 |
| Full collision | 206 | +292 | 80 |
| Fire | 46 | —12 | 218 |
| Theft | 59 | +12 | 198 |
| **New Brunswick** | | | |
| Public liability | 77 | +47 | 443 |
| Property damage | 85 | +62 | 51 |
| Full collision | 36 | —31 | 26 |
| Fire | 65 | +24 | 297 |
| Theft | 15 | —71 | 63 |
| **Manitoba** | | | |
| Public liability | 64 | +22 | 496 |
| Property damage | 44 | —16 | 29 |
| Full collision | 136 | +159 | 28 |
| Fire | 58 | +10 | 204 |
| Theft | 55 | +5 | 44 |
| **Saskatchewan** | | | |
| Public liability | 57 | +9 | 698 |
| Property damage | 48 | —9 | 41 |
| Full collision | 45 | —14 | 55 |
| Fire | 45 | —14 | 237 |
| Theft | 21 | —60 | 57 |
| **Alberta** | | | |
| Public liability | 57 | +9 | 674 |
| Property damage | 50 | —5 | 49 |
| Full collision | 33 | —37 | 48 |
| Fire | 60 | +14 | 300 |
| Theft | 40 | —24 | 53 |
| **British Columbia** | | | |
| Public liability | 55 | +5 | 648 |
| Property damage | 49 | —7 | 35 |
| Full collision | 63 | +20 | 37 |
| Fire | 41 | —22 | 227 |
| Theft | 48 | —9 | 36 |

# Further Gain In Life Sales

## Improved General Conditions Offset Effect of War Clauses

Good crops and war conditions continue to accelerate the sale of life insurance.

Total sales for Canada and Newfoundland in October were $34.6 millions, a gain of 7.12% over last year and the highest level for the month since 1931. The increase is particularly significant in view of the war clauses now being inserted in policies providing for higher premiums from policyholders who enlist for active service.

Gains were shown in eight of the nine provinces, the greatest increase being 59.6% in Prince Edward Island. Quebec was down slightly and Newfoundland 16.9%.

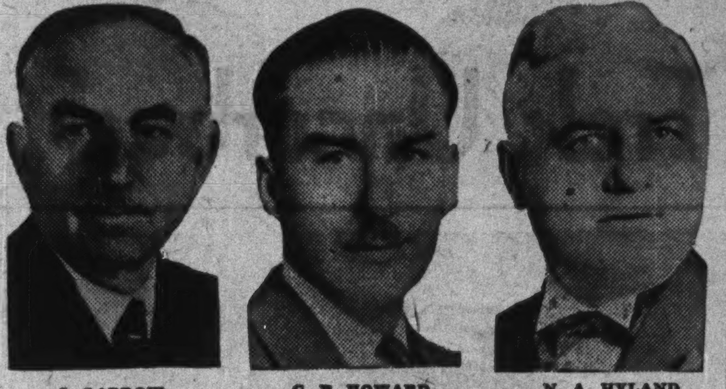
The figures are supplied by the Canadian Life Insurance Officers Association and are exclusive of group insurance, annuities, pension bonds without insurance, reinsurance, and revivals.

Life Insurance Sales
(000's of $)

| | —October— 1939 $ | 1938 $ | Change 1939 % |
|---|---|---|---|
| British Columbia | 2,499 | 2,327 | +7.39 |
| Alberta | 1,991 | 1,666 | +19.5 |
| Saskatchewan | 1,254 | 1,056 | +18.7 |
| Manitoba | 2,454 | 1,972 | +24.4 |
| Ontario | 15,151 | 14,497 | +4.51 |
| Quebec | 8,249 | 8,265 | —0.19 |
| New Brunswick | 994 | 731 | +35.9 |
| Nova Scotia | 1,581 | 1,370 | +15.4 |
| Prince Edward Is. | 206 | 129 | +59.6 |
| Newfoundland | 298 | 359 | —16.9 |
| | 34,677 | 32,372 | +7.12 |

Sales by Months, 1936-1939
(000's of $)

| | 1936 | 1937 | 1938 | 1939 |
|---|---|---|---|---|
| Jan. | 33,347 | 27,789 | 31,287 | 30,434 |
| Feb. | 28,834 | 30,619 | 31,796 | 30,879 |
| Mar. | 30,552 | 32,322 | 33,461 | 33,578 |
| Apr. | 28,876 | 32,562 | 30,612 | 28,229 |
| May | 28,411 | 31,916 | 31,016 | 33,657 |
| June | 31,247 | 37,908 | 35,660 | 35,766 |
| July | 31,397 | 32,040 | 30,635 | 32,244 |
| Aug. | 23,547 | 28,411 | 28,446 | 28,558 |
| Sept. | 28,090 | 27,730 | 27,928 | 37,117 |
| Oct. | 29,402 | 33,416 | 32,372 | 34,677 |
| Nov. | 36,710 | 38,020 | 37,167 | ..... |
| Dec. | 34,146 | 37,125 | 36,475 | ..... |



J. GARROW G. B. HOWARD N. A. HYLAND

### BANK OF MONTREAL APPOINTMENTS

Consequent upon retirement of F. C. Ridley, for the past 10 years manager of the Bank of Montreal's main office in Hamilton, James Garrow has been appointed to succeed him. Mr. Garrow's position as superintendent of the bank's branches in the Maritimes, and manager of the Halifax main office, has been assumed by G. B. Howard. Mr. Howard has been succeeded as manager of the Yonge and Queen Streets branch in Toronto by N. A. Hyland. C. O. Moon takes over Mr. Hyland's former post as manager of the St. Lawrence Market branch, Toronto.

Banking

# Seasonal Decline In Note Circulation

## Return of Currency to Bank as Crop Movement Passes Peak is Normal Development — Larger Volume Currency Needed This Year, However

A decline of $2 millions in the note circulation of the Bank of Canada, reported for the week ended Nov. 22, brings the total down about $8 millions from the figure of a few weeks ago.

The movement appears to be largely seasonal, as normally this is a time when circulation tends to drop.

In Canada the alternations of the seasons and the succession of certain important branches of activity, such as the harvesting of the crops and the movements in the lumber industry, have an important influence on currency requirements.

In Canada the machinery of the circulation system is such that note issue expands and contracts automatically according to the requirements of the country.

### Factors at Work

During the past few weeks a number of factors were at work to bring about currency expansion. There was the movement of the crop. Then there were the increased activity in a number of lines of business due to the war, the greater employment among many men who formerly were unemployed and last but not least, the withdrawal of considerable United States currency when it went to a premium over the Canadian dollar.

With the first rush of marketing the crop over, the expansion due to that particular cause has slackened to some extent. It is possible that unless there are developments from some other source the shrinkage may continue.

In banking circles it is generally considered that the circulation year starts in February, when there is normally a slight increase due to the requirements of the lumbering industry. The increase in the note issue is extended in March as the men in the lumber camps are paid off and only enough men for the drives retained.

In the next two months much of the March circulation comes back to the banks and is withdrawn as the lumbermen return from the woods and pay their winter bills at the country stores and spend their winter's pay.

### Navigation Opens

Opening of navigation in June, the completion of the lumber drives, increased activity in the dairy industry and in business generally see the amount of money in circulation again moving upward.

The slackness usually seen in business and industrial effort during July with many people away on vacation again results in a smaller demand for money.

August, however, sees a decided change and with the movement of the hay crop and activity in the dairy industry as well as the movement of the fruit crop, there is a much heavier use of currency. Note circulation begins to move up and the tendency to expansion gathers momentum when the western crops are harvested. Toward the end of November the crop movement normally slackens and the return of currency to the banks begins and continues through December into January. The trend of course is irregular with some expansion being shown around Christmas.

This year it would appear therefore that the note circulation of the Bank of Canada is acting in an orthodox way although, owing to the added stimulus of the war activities, it is believed the amount of currency required this winter will be larger than a year ago. A year ago note circulation of the Bank of Canada was $170 millions against $222 millions on Nov. 22.

# Total Assets Over Billion

## Bank of Montreal Shows Total Resources of $1,025 Millions

Assets of the Bank of Montreal went over the billion dollar mark to $1,025 millions in the year closed Oct. 31 according to the annual statement just issued. This sets a new record in the history of the bank. The increase in assets over last year was $151.2 millions.

Other features of the bank's statement are increased loans, deposits, profits and investments.

Profits are shown in the profit and loss account at $3.4 millions compared with $3.3 millions in 1938. These figures are reached after deducting Dominion and provincial taxes amounting to $1.2 millions, up $46,000 from the previous year. On a per share basis the earnings were equal to $9.62 compared with $9.44 the previous year. Dividends were paid at the rate of $8.

Current loans rose $30 millions to $220 millions, indicating the greater demand for credit by trade and industry as well as for the movement of the wheat crop. Call loans on the other hand were lower, a common feature of the bank statements this year reflecting the smaller volume of speculative activity.

Among the investments, holdings of Government and other bonds and debentures accounted for $517.1 millions, compared with $440.7 millions a year ago. Stocks held were $470,131 against $159,651.

Cash, cheques and other cash items totalled $201.2 millions, up almost $50 millions. A noticeable feature among the constituent items in this group is an increase in money on deposit with other banks to $77.3 millions from $33.9 millions last year. This would appear to indicate special banking transactions.

Quickly available resources including cash, deposits with other banks, government bonds etc. totalled $742.6 millions or 78.3% of all the liabilities to the public. These figures compare with $620.3 millions and 77.8% of all liabilities to the public a year ago.

Excess of assets over liabilities is to the public $77 millions.

Profit and Loss Account

| | —Oct. 31— 1939 $ | 1938 $ |
|---|---|---|
| Net profit | 3,462,446 | 3,398,390 |
| Less: divds. | 2,880,000 | 2,880,000 |
| W/o bk. premises | 500,000 | 500,000 |
| Surplus | 82,446 | 18,340 |
| Prev. surplus | 1,183,254 | 1,164,863 |
| Bal. forward | 1,265,700 | 1,183,254 |
| Earned per sh. | 9.62 | 9.44 |
| Divds. paid per sh. | 8.00 | 8.00 |

Balance Sheet

| | —Oct. 31— 1939 $ | 1938 $ |
|---|---|---|
| **Assets** | | |
| Cash, cheques, etc. | 201,243,716 | 152,540,082 |
| Investments | 517,641,336 | 440,896,472 |
| Call loans Canada | 4,373,822 | 5,374,960 |
| Call loans ex-Can. | 19,142,173 | 21,493,005 |
| Bankers acceptances | 2,768 | 30,579 |
| Commercial loans | 220,548,911 | 190,687,855 |
| Prov. & mun. loans | 36,712,816 | 37,015,594 |
| Bank premises | 13,900,000 | 13,900,000 |
| Real est. & mort. | 1,073,717 | 1,096,706 |
| Letters of credit | 7,914,256 | 8,377,574 |
| Other assets | 3,734,796 | 3,842,975 |
| Total | 1,025,506,367 | 874,255,828 |
| **Liabilities** | | |
| Deposits | 914,909,050 | 763,156,945 |
| Note circulation | 21,767,292 | 22,542,921 |
| Bills payable | 172,632 | 149,848 |
| Letters of credit | 7,914,256 | 8,377,574 |
| Other pub. liabs. | 3,739,690 | 3,112,201 |
| Cap. res., etc. | 77,005,445 | 76,916,337 |
| Total | 1,025,506,367 | 874,255,828 |

# Weekly Statement Bank of Canada

A reduction of almost $9 millions in holdings of short-term investments in the week ending Nov. 22 is reported by the Bank of Canada. There was practically no change in the holdings of long-term securities. Total investments were reported at $248.6 millions against $256.9 millions. Note circulation was down $2 millions with demand for cash shrinking with the passing of the peak of the crop movement.

Balance Sheet

| | Nov. 22 1939 $ | Nov. 15 1939 $ |
|---|---|---|
| **Liabilities** | | |
| Capital paid-up | 5,000,000 | 5,000,000 |
| Notes in circ. | 222,915,074 | 224,968,811 |
| Rest fund | 1,903,515 | 1,903,515 |
| Depos.: Dom. | 47,884,951 | 43,858,965 |
| Banks | 223,607,191 | 223,425,606 |
| Other | 20,590,875 | 30,886,486 |
| Total deposits | 292,083,017 | 298,171,057 |
| All other liabs. | 6,309,445 | 13,123,429 |
| Total liabs. | 528,211,051 | 543,166,812 |
| **Assets** | | |
| Reserve: Gold | 225,674,987 | 225,674,987 |
| Res. in sterling and U. S. | 48,949,159 | 48,810,056 |
| Other curr. | 1,446 | 1,494 |
| Total reserve | 274,625,592 | 274,486,537 |
| Subsidiary coin | 154,014 | 140,645 |
| Investments: | | |
| Dom. govt. short | 202,710,460 | 211,040,978 |
| Other Dom. govt. | 45,932,612 | 45,901,375 |
| Total invest. | 248,643,072 | 256,942,353 |
| Premises | 1,681,857 | 1,665,508 |
| All other assets | 3,106,516 | 9,931,769 |
| | 528,211,051 | 543,166,812 |
| Reserve ratio | 53.32% | 52.46% |

# Weekly Bank Clearings

| | Nov. 23 1939 $ | Change Year Ago % | Nov. 16 1939 $ |
|---|---|---|---|
| Halifax | 3,218,433 | +32.9 | 2,843,444 |
| Saint John | 1,991,343 | +13.1 | 1,867,142 |
| Moncton | 876,533 | + 7.9 | 712,501 |
| Sherbrooke | 722,765 | — 2.1 | 835,312 |
| Quebec | 4,947,537 | + 5.4 | 4,542,954 |
| Montreal | 103,647,439 | — 2.8 | 91,726,641 |
| Ottawa | 23,112,250 | +28.2 | 16,035,474 |
| Kingston | 632,260 | +11.4 | 601,453 |
| Peterborough | 571,777 | + 1.5 | 573,774 |
| Toronto | 109,334,314 | — 4.2 | 99,108,423 |
| Peterborough | 571,777 | + 1.5 | 573,774 |
| Hamilton | 6,377,930 | +26.6 | 5,699,563 |
| Kitchener | 1,131,256 | +11.1 | 1,098,355 |
| Brantford | 905,564 | +10.6 | 813,128 |
| London | 2,611,177 | + 7.3 | 2,499,129 |
| Chatham | 778,538 | +20.4 | 639,542 |
| Windsor | 2,815,425 | — 1.0 | 2,512,824 |
| Sarnia | 567,857 | + 5.7 | 369,843 |
| Sudbury | 966,538 | + 9.9 | 1,119,503 |
| Fort William | 801,823 | +18.6 | 713,969 |
| Winnipeg | 63,243,024 | +52.5 | 74,535,991 |
| Brandon | 347,810 | +16.2 | 358,445 |
| Regina | 5,295,042 | +43.5 | 5,678,968 |
| Moose Jaw | 717,478 | +30.5 | 701,624 |
| Prince Albert | 434,127 | +39.2 | 399,816 |
| Edmonton | 4,920,548 | +16.5 | 4,359,475 |
| Calgary | 7,172,076 | + 5.8 | 6,573,647 |
| Lethbridge | 598,230 | + 6.3 | 914,421 |
| Saskatoon | 1,783,515 | +37.9 | 1,636,354 |
| Medicine Hat | 309,908 | +23.1 | 249,914 |
| N. W'minster | 581,851 | — 8.2 | 562,125 |
| Vancouver | 17,912,835 | — 4.4 | 18,316,537 |
| Victoria | 1,905,637 | +13.5 | 1,649,461 |

# Dominion Bank Loans Higher

## Deposits Above Previous Year and Investments Show Increase

Improvement in current loans, higher deposits and a strong liquid position are features of the 69th annual statement of the Dominion Bank mailed to shareholders this week. Owing to the change in the fiscal year which now closes on Oct. 31, instead of Dec. 31 as formerly, the period covered by this year's statement is only 10 months, making comparison of profits with the previous year difficult. Making allowances for the difference of two months, however, it is evident that an improvement is shown. On a per share basis earnings were $10.57 compared with $12.64 in the year previous.

Current loans and discounts in Canada now stand at $58.3 millions an increase of 11.2 millions or 23.9%, a direct reflection of the better demand for credit owing to the large wheat crop and the stimulus to business from the war. In the previous year current loans gained 13.5%.

Call and short loans following the general trend were down $2 millions to $5.7 millions, the result of lessened demand for this kind of financing.

Investments were up by over $5 millions to $60.6 millions. An interesting change in this connection was a decline of $2.9 millions in holdings of long term issues and an increase of almost $10 millions in short terms. The increase in the latter, in part at least represents the bank's share of the recent $200 million Dominion Government loan placed with the chartered banks. Loans to municipalities were slightly lower.

Demand deposits were slightly lower but savings deposits were up almost $3 millions.

Notes of the bank on October 31 were about $40,000 higher than on Dec. 31, 1938, but this will probably be adjusted before the close of the calendar year in accordance with the legislation requiring a yearly reduction in the note circulation of the chartered banks.

The bank's liquid position continued strong with immediately available assets 64.65% of public liabilities. Cash assets were 18.86% of public liabilities.

Profit and Loss Statement

| | 10 Mos. 1939 $ | 12 Mos. 1938 $ |
|---|---|---|
| Net earnings | 802,296 | 960,121 |
| Less: divds. | 583,333 | 700,000 |
| Tr. pension fund | 62,500 | 75,000 |
| W/o bk. premises | 125,000 | 150,000 |
| Surplus | 31,463 | 35,121 |
| Prev. surplus | 805,937 | 770,815 |
| Bal. forward | 837,400 | 805,937 |
| Earned per sh. | 10.57 | 12.64 |
| Divds. pd. per sh. | 8.33 | 10.00 |

Balance Sheet

| | Oct. 31 1939 $ | Dec. 31 1938 $ |
|---|---|---|
| **Assets** | | |
| Cash cheques, etc. | 27,496,535 | 25,811,060 |
| Investments | 60,649,317 | 55,424,072 |
| Call loans Canada | 3,360,429 | 5,284,505 |
| Call loans ex. Can. | 2,398,947 | 2,489,733 |
| Cur. loans Canada | 58,396,413 | 47,119,795 |
| Cur. loans ex. Can. | 493,407 | 997,386 |
| Loans to municip. | 1,635,966 | 1,736,314 |
| Bank premises | 5,569,000 | 5,667,000 |
| Letters of credit | 2,856,128 | 2,975,524 |
| Other assets | 782,960 | 874,611 |
| Total | 163,639,105 | 148,380,004 |
| **Liabilities** | | |
| Note circulation | 5,322,171 | 5,260,489 |
| Dom. Govt. deposits | 10,653,340 | 720,797 |
| Prov. Govt. deposits | 2,934,043 | 912,276 |
| Demand deposits | 37,978,683 | 38,053,214 |
| Savings deposits | 85,335,930 | 82,649,949 |
| Due other banks (Canada) | 2,404,541 | 1,542,934 |
| Due foreign banks | 634,559 | 818,078 |
| Letters of credit | 2,856,128 | 2,975,524 |
| Other public liabs. | 506,244 | 465,417 |
| Paid up capital | 7,000,000 | 7,000,000 |
| Reserve | 7,000,000 | 7,000,000 |
| Profit & loss bal. | 837,400 | 805,937 |
| Divd. declared | 175,000 | 175,000 |
| Divds. unclaimed | 1,063 | 387 |
| Total | 163,639,105 | 148,380,004 |

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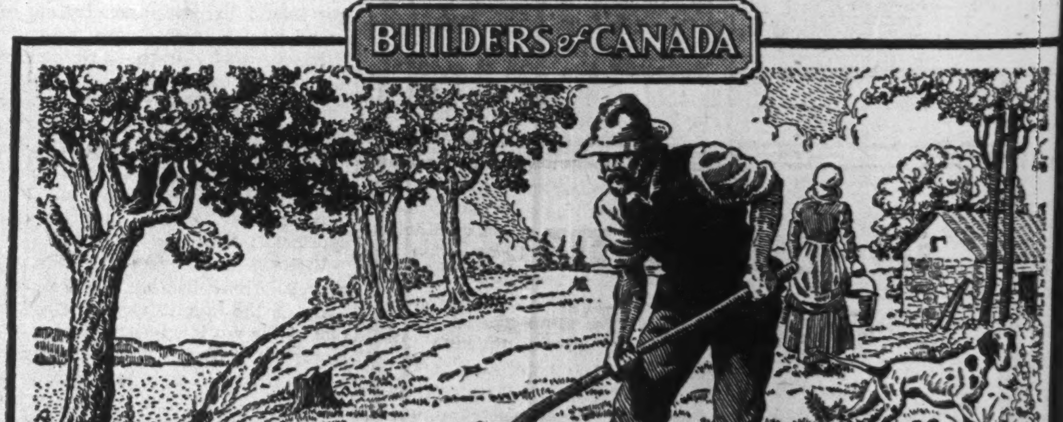

Louis and Marie Hébert working in their fields.

Louis Hébert

Louis Hébert, Canada's first practical farmer, was a member of that little colony at Port Royal (Annapolis Royal) who, in 1605, first attempted to cultivate Canadian soil. Later, in 1616, he settled in Quebec, made a clearing on the heights of Cape Diamond, cultivated it with his own hands, acquired a fief and became, except for Champlain, the leading citizen of Quebec. Above is depicted a monument to his memory which today stands in the City of Quebec.

SEED TIME and HARVEST

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# Excess War Profits Tax

## Needs Flexible Handling To Avoid Confusion — Examples Are Cited

By HAROLD HILLIARD
Staff Writer, The Financial Post

Canadian investors continue to speculate upon the probable effect of the new War Excess Profits Tax on individual companies. Thirst for the facts of how this new impost will apply, however, cannot be easily satisfied. Some of the many vexing problems confronting the investor and industrial executive alike cannot be clarified until the tax is actually applied.

Applying the tax as now outlined and on the books brings out some curious mix-ups. For example, reference to the tabulation accompanying this article shows that at least one company, General Steel Wares, would have to pay more to the taxing authorities as a result of the Excess Profits Tax than would be available for its common shareholders if profit rose 50% above an estimated four-year average. If profits rose only 25%, under rate B, this company would have to split its earnings evenly between tax and common shareholders.

### Flexible Handling

This and other examples, quoted later, bring out the necessity for a flexible handling of the new act such as was forecast in recent Financial Post articles. Refuge will probably be taken in the discretionary powers awarded to the Dominion income tax authorities to avoid any obvious unfairness.

This might be done, particularly in the case of companies which have gone through reorganizations and have written down their capital, by exercising the power to adjust the definition of "capital invested" to allow for this change. It is thought unlikely that there will be any major revisions in the act itself. Rather authorities at Ottawa are expected to interpret the act in the light of the actual circumstances surrounding cases where hardship may be threatened.

The new tax will apply to earnings for years ending after March 31, 1940. The act provides alternative tax plans. Under Rate "A" profits will be assessed on a graduated scale as follows:

| Earnings on Capital Invested: | Tax |
|---|---|
| Not in excess of 5% | nil |
| Over 5% to 10% | 10 |
| Over 10% to 15% | 20 |
| Over 15% to 20% | 30 |
| Over 20% to 25% | 40 |
| Over 25% | 60 |

Under Rate "B", a tax will be paid at the rate of 50% on all profits in excess of average earnings for the four years 1936, 1937, 1938 and 1939, or for company years ending in those periods.

### Which Rate?

Some conjecture can be expected as to which of the two rates, "A" and "B", will be most used. An examination of the table will show that, where earnings are no higher than 10 to 12% of "capital," Rate "A" will be the one usually chosen. Where they rise to 14 or 16% of capital or more, Rate "B" would tend to become more popular.

Some of the companies—International Metal Industries, Dominion Steel & Coal and Ontario Steel Products, as instances—show a fair earning power from profits up to 5% of capital. All of them can give a satisfactory account of themselves by showing earnings up to 10% of capital—as a result of which they would only be taxed 10% on the second 5% of the 10% of capital.

Where average earnings for the past four years have been low but invested capital is high, it seems reasonable to assume that schedule B would be avoided and preference given to the graduated scale of taxation applying under schedule A. The free 5% of invested capital could easily be much larger than average earnings whereas, if the average earnings system is used, the tax immediately comes into effect on 50% of earnings in excess of this average.

### "A" or "B"

Hayes Steel, for example, 1938 earnings of which were equal to 19.7% of "capital," will choose Rate "B" as long as it keeps its earnings at so high a figure in comparison to capital. By increasing its earnings another 25%, it would be taxed 18c. per common share under Rate "B"; 31c. under Rate "A". A 50% increase would result in a tax of 35c. under Rate "B"; 51c. under Rate "A".

With companies which earned at a rate equal to about 10% of capital in 1938—Ford and Steel of Canada, for instance—and Rate "A" should win favor.

Ford can increase its earnings 25% and be taxed only 16c. per share under Rate "A", but 25c. under Rate "B". An increase of 50% might absorb 26c. under Rate "A" and almost twice as much under Rate "B".

Steel of Canada would have somewhat the same result. A 25% increase would require a tax of 35c. per common share under Rate "A", 57c. under Rate "B". A 50% increase takes 57c. under Rate "A", $1.14 under Rate "B", it is estimated.

Canadian Bronze, whose 1938 earnings were equal to 13.2% of capital, could use, either Rate "A" or "B" with a 25% increase in earnings, as the tax in each case is equal to 34c. A 50% increase, however, would absorb only 51c. per common share under Rate "A", as compared with 68c. under Rate "B".

### More Examples

Getting down to the point where 1938 earnings were equal to about 5 to 6% of capital, we find a company like Canadian Car & Foundry. It can increase its earnings 25% under Rate "A" and be taxed only 8c., but under Rate "B" there would be three times as high a tax—24c. A 50% increase would result in 12c. being absorbed under Rate "A", 49c. or four times as much under Rate "B".

Dominion Steel & Coal Corp., just under the 5% mark, would be taxed 1c. under Rate "A" with a 25% earnings increase; 11c. under Rate "B". There would be a 4c. tax with a 50% increase under Rate "A", 23c. under Rate "B."

The last eight companies on the table would escape any tax under Rate "A", even with a 50% increase in earnings. But under Rate "B" there are no exemptions, and the same companies under that plan would pay amounts ranging from 3c. to $1.83.

In the accompanying table, estimates have been made with the figures of the companies in the iron and steel group. The results give an approximation of just how the new tax is likely to cut into common earnings.

The figures have been broken down to show just how much the tax may absorb per common share, and how much is left for shareholders after tax deductions.

### Under Rate "A"

In order to analyze the effect of Rate "A", it is first necessary to discover just what is meant by "capital."

Information contained in the Act, together with clarifying statements issued by official or other reliable sources since the Act was passed, can be summarized in the following manner:

> The value of common and preferred stocks (as carried on a company's balance sheet); plus earned surplus; less intangible assets.

The earned surplus is to be reduced by one half of current dividends, but this has not been done in the accompanying compilation. It is likely this amount will be roughly offset by the increased earnings which the steel companies can expect under the impetus of war.

With the amount of "capital" decided upon, it is a simple matter to determine what 5% of the amount is. The resulting figure represents, under Rate "A", the limit of earnings before the tax applies.

To arrive at the per share earnings, the preference dividend where this class of stock is and the outstanding Excess Profits Tax are deducted from the net profit figure. The balance represents the total available for common after the tax, and it is divided by the number of common shares outstanding. To arrive at the amount per common share absorbed by the tax, it is necessary only to divide the total tax by the number of outstanding shares.

### Under Rate "B"

To determine the effect of Rate "B" on an individual company's earnings, it is required that one basic figure be secured—the average earnings for the four fiscal years ended in 1939.

The figures of many of the companies for the fourth year are not yet available. In such cases it has been necessary to use an estimate. From that point on, the basis for working out per share earnings is the same as under Rate "A".

### Act to be Flexible

In isolated cases the figures may be far wide of the mark, as from all indications the Act will be quite flexible. This will guard against any company being unduly penalized.

MacKinnon Steel and General Steel Wares, for instance, may require special consideration. These companies would be subject to taxation under Rate "A" before earnings fully met preference dividends. Reference to the table will illustrate this point.

In the case of MacKinnon Steel, the tax will be applicable when only $5.78 of the $7 dividend due on each preferred share has been earned. With General Steel Wares only $6.33 can be earned on each $7 dividend before the tax becomes effective.

Choosing Rate "B" would not help. The latter company, with a 25% increase in earnings, would pay 14c.—which superficially sounds reasonable. But it represents actually 50% of what would have been available for common earnings if there had been no tax. If there was a 50% increase in earnings, only 26c. would be left per common share—after deducting a 28c. tax.

MacKinnon Steel, under Rate "B", would be assessed 18c., after a 25% increase, and 35c. after a 50% increase, but in either case there would still not be sufficient to cover preferred obligations.

### Companies With Deficits

It is learned that, in the case of a company having a deficit in its profit and loss account, the figure will not be deducted from the paid up capital. The companies which will benefit are:

| Company | Last reported deficit |
|---|---|
| Massey-Harris | $20,072,761 |
| Gurney Foundry | 157,080 |
| Canadian Locomotive | 47,153 |
| Sawyer-Massey | 490,606 |
| Sarnia Bridge | 44,995 |
| Amalgamated Electric | 352,515 |
| Morrison Brass | 96,462 |
| Hamilton Bridge | 169,813 |
| Waterloo Manufacturing | 1,596,611 |
| Canadian Vickers | 1,592,055 |
| Dominion Alloy Steel | 246,875 |

This means that the lower the "capital" the lower the figure will be at which point a company is assessed under Rate "A". Earned surplus is included as an addition in "capital," and on this basis a deficit might be expected to be subtracted. But this, The Financial Post is told, will not be so.

There are a number of other doubts arising which have not been so readily eliminated. There is the case of companies which carry on their balance sheets such figures as the following:

| | |
|---|---|
| Disher steel, goodwill | $200,000 |
| Canada Foundries, goodwill | 250,000 |
| Greening Wire, patents | 18,042 |
| W. D. Beath, patents, leases, goodwill & organ. exp. | 1,526,482 |

The Act would indicate that all intangible assets should be deducted from capital and earned surplus to arrive at the figure of "capital." In the case of these four companies, then it might be expected that such items as goodwill and patents should be subtracted. On the basis of information available, however, the figures cannot be so classed, for it requires a break-down of them to determine how the total was first determined.

It would be seriously to the disadvantage of a company such as W. D. Beath & Son, for instance, if the $1.5 million figure was deducted from the $2.7 millions figure otherwise represented as "capital."

### Still Vague

There are other instances to indicate that all explanations so far available as to what is and what is not included in "capital" still leave the term somewhat vague.

For instance, will the following be included in "capital"?

(a) a "distributable" surplus, as in the case of Burlington and Algoma Steel.

(b) a "designated" surplus as with Page-Hersey Tubes.

(c) a "special" reserve as in the case of Hayes Steel.

(d) a "capital" surplus as with many companies—Canadian Car & Foundry as an instance.

These and other questions are being asked. But, for the present, little can be done but ask them. Gradually, and one at a time, they become clarified.

For the purpose of this analysis items such as capital surplus, special reserve and the like have not been included.

### Companies Omitted

A number of the larger steel firms have not been included in the table. Hamilton Bridge, for instance, is not analyzed, as a balance sheet has not been published since the recent reorganization.

Companies like Canadian Vickers, Dominion Engineering Works, Sarnia Bridge, Disher Steel Construction and W. D. Beath & Son have not been included either. The reason is that their last year's figures, as well as the average figures for the four fiscal years ended in 1939, show either a deficit or a very small net profit.

Consequently, none of them will need be concerned about paying Excess Profits Taxes until their profits are stepped up in considerable proportions.

## Per Common Share

| Companies which on Basis of 1938 Earnings Would Be Affected by Rate "A" | RATE "A" Limit of Earns. Before Rate "A" Applies■ | Last Earns. | RATE "A" If Earnings Increase Over Last Figures by: 25% Tax Would Absorb | 25% Avail. After Tax | 50% Tax Would Absorb | 50% Avail. After Tax | RATE "B" 4-Yr. Aver. Earns.** | RATE "B" If Earnings Increase Over 1936-9 Average by: 25% Tax Would Absorb | 25% Avail. After Tax | 50% Tax Would Absorb | 50% Avail. After Tax |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ |
| Hayes Steel Products Limited* | 0.15 | 1.45 | 0.31 | 1.57 | 0.51 | 1.80 | 1.12 | 0.18 | 1.29 | 0.35 | 1.47 |
| Dominion Foundries & Steel | 0.77 | 3.60 | 0.89 | 3.62 | 1.40 | 4.06 | 2.61 | 0.36 | 2.96 | 0.71 | 3.32 |
| Candn. Locomotive Company | 1.22 | 2.99 | 0.39 | 3.35 | 0.62 | 3.87 | 1.69 | 0.21 | 1.90 | 0.42 | 2.11 |
| Candn. Bronze Company | 0.41 | 1.87 | 0.34 | 2.11 | 0.51 | 2.52 | 2.23 | 0.34 | 2.57 | 0.68 | 2.91 |
| Russell Industries Limited | 6.14 | 24.40 | 3.92 | 28.76 | 6.20 | 34.77 | 15.04 | 2.93 | 17.97 | 5.86 | 20.90 |
| Page-Hersey Tubes Ltd. | 2.12 | 4.23 | 0.42 | 4.87 | 0.63 | 5.71 | 4.65 | 0.58 | 5.23 | 1.17 | 5.81 |
| Candn. General Electric Co. | 4.63 | 9.49 | 0.95 | 11.03 | 1.45 | 13.02 | 9.90 | 1.30 | 11.20 | 2.60 | 12.50 |
| Ford Motor Co. of Canada† | 1.08 | 1.96 | 0.16 | 2.29 | 0.26 | 2.68 | 1.99 | 0.25 | 2.24 | 0.50 | 2.49 |
| Steel Co. of Canada* | 1.72 | 4.24 | 0.35 | 4.32 | 0.57 | 5.16 | 3.92 | 0.57 | 5.13 | 1.14 | 5.70 |
| Canada Wire & Cable Co.♦ | 2.45 | 9.30 | 1.28 | 11.92 | 2.05 | 15.04 | 11.47 | 2.22 | 13.70 | 4.44 | 15.92 |
| National Steel Car Corp. | 2.03 | 3.59 | 0.29 | 4.20 | 0.47 | 4.92 | 2.86 | 0.36 | 3.22 | 0.71 | 3.58 |
| Candn. Westinghouse Co. | 1.43 | 2.42 | 0.18 | 2.85 | 0.34 | 3.30 | 2.07 | 0.25 | 2.34 | 0.53 | 2.58 |
| International Metal Indus.▲ | 0.12 | 1.15 | 0.18 | 1.62 | 0.31 | 2.13 | 1.01 | 0.31 | 1.31 | 0.61 | 1.62 |
| English Electric Company▲ | 2.75 | 4.18 | 0.25 | 4.98 | 0.43 | 5.84 | 3.29 | 0.40 | 3.70 | 0.83 | 4.11 |
| MacKinnon Steel Corp. | ▲▲ | 0.67 | 0.20 | 1.33 | 0.35 | 2.04 | d1.37 | 0.18 | d1.20 | 0.35 | d1.02 |
| Burlington Steel Company | 0.46 | 0.65 | 0.04 | 0.77 | 0.06 | 0.91 | 0.80 | 0.10 | 0.90 | 0.20 | 1.00 |
| Greening Wire Company | 0.51 | 0.71 | 0.03 | 0.85 | 0.06 | 1.00 | 0.75 | 0.09 | 0.85 | 0.19 | 0.94 |
| Candn. Car & Foundry* | 1.35 | 1.81 | 0.08 | 2.27 | 0.12 | 2.72 | 0.56 | 0.24 | 0.81 | 0.49 | 1.05 |
| General Steel Wares Ltd.* | ▲▲▲ | d0.08 | 0.04 | 0.11 | 0.06 | 0.32 | 0.03 | 0.14 | 0.14 | 0.28 | 0.26 |
| **Co.'s Which Would Have to Better Earnings from 1938 Figures to Be Taxed:** | | | | | | | | | | | |
| Dominion Steel & Coal Corp.♦ | 1.36 | 1.19 | 0.01 | 1.48 | 0.04 | 1.75 | 0.91 | 0.11 | 1.02 | 0.23 | 1.13 |
| Ontario Steel Products Co. | 0.99 | 0.76 | 0.01 | 1.07 | 0.04 | 1.36 | 1.11 | 0.20 | 1.31 | 0.41 | 1.51 |
| Eastern Steel Products Ltd. | 0.65 | 0.46 | 0.01 | 0.68 | 0.02 | 0.88 | 0.65 | 0.13 | 0.79 | 0.26 | 0.92 |
| United Steel Corporation | 0.27 | 0.14 | ‡ | 0.21 | 0.01 | 0.27 | 0.20 | 0.03 | 0.24 | 0.07 | 0.27 |
| Amalgamated Electric Corp. | 0.78 | d0.42 | ‡ | d0.40 | ‡ | d0.39 | 0.39 | 0.05 | 0.43 | 0.10 | 0.48 |
| Robert Mitchell Company | 0.81 | 0.53 | ‡ | 0.66 | ‡ | 0.79 | 0.42 | 0.05 | 0.48 | 0.10 | 0.53 |
| Can. Foundries & Forgings♦ | 2.77 | d1.62 | ‡ | d0.54 | ‡ | 0.54 | 1.39 | 0.91 | 2.31 | 1.83 | 3.22 |
| Dominion Bridge Company | 1.75 | 1.04 | ‡ | 1.29 | ‡ | 1.55 | 0.97 | 0.12 | 1.09 | 0.24 | 1.21 |
| Massey-Harris Company | 1.81 | 0.62 | ‡ | 0.98 | ‡ | 1.35 | 0.18 | 0.12 | 0.31 | 0.25 | 0.43 |
| Algoma Steel Corporation | 1.45 | 0.29 | ‡ | 0.43 | ‡ | 0.57 | 0.71 | 0.13 | 0.83 | 0.24 | 0.96 |
| Cockshutt Plow Company | 1.11 | 0.04 | ‡ | 0.05 | ‡ | 0.06 | 0.24 | 0.03 | 0.27 | 0.06 | 0.30 |

▲▲▲Subject to taxation when only $6.33 of the $7 dividend due on a preferred share has been paid.

▲▲Subject to taxation when only $5.78 of the $7 dividend due on a preferred share has been paid.

■Representing 5% of capital invested. Capital is made up of preferred and common stocks, plus earned surplus, less intangible assets. Earned surplus should be reduced by one half of current dividends, but this has not been done in this compilation, as the amount will be roughly offset by the increased earnings the steel companies can expect under the impetus of war.

**For four years ending in 1939. Where this year's figures are not yet available, an estimate has been made.

‡Still further increases in profits than 25 or 50% basis indicated in table can be shown before tax would apply.

*After participating feature of preference stock.

♦B stock only.

▲A stock only.

†A and B stock.

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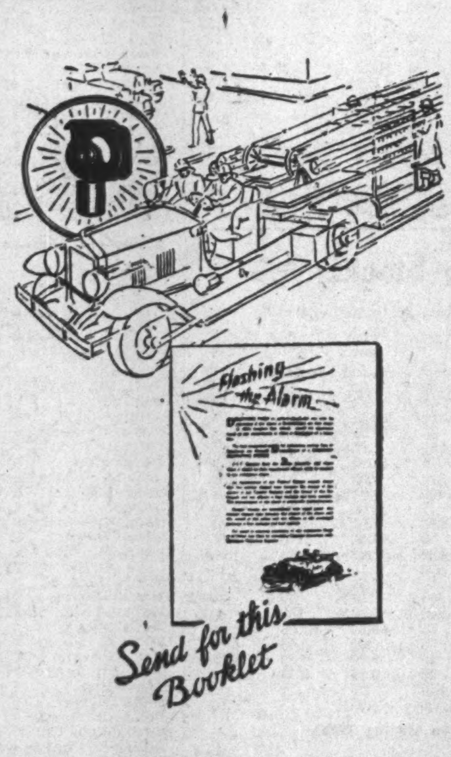

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### ST. MAURICE POWER EXECUTIVE

At the annual meeting of St. Maurice Power Corp., jointly controlled by Shawinigan Water and Power Co. and Brown Corp., James Wilson was elected president and J. B. Challies (left) a director and vice-president. Other officers are: vice-presidents, O. B. Brown and Wentworth Brown; treasurer, W. S. Hart.

# Beauharnois Plans Advance

## Quebec's Approval of 1938 Plan Opens Way to Consolidation

From Our Own Correspondent

MONTREAL.—Final completion of the plans for the merging of Beauharnois Power Corp. into Beauharnois Light, Heat & Power Co. may take place shortly as a result of Quebec's approval of the reorganization plan passed on by the shareholders last year.

It will be recalled that in May, 1938, bondholders and shareholders approved the plan of reorganization which resulted in the adjustment of the capital structure. The scheme also called for eventual winding up of Beauharnois Power Corp., the holding company, and surrender of charter. Shareholders of Beauharnois Power are to receive one share in Beauharnois Light, Heat & Power Co. for each two shares in the holding company now held. While the security holders approved of this plan, it was not finally consummated until a few days ago when the new Quebec Government issued supplementary letters patent.

There is also a revival of talk about the refunding of the company's outstanding $16.2 millions of 5% second mortgage bonds. It is believed that under its present set-up the company could refund these bonds at a saving and it is possible that when market conditions are opportune, the company will carry out the new financing.

# Brandram Paint Reports Expansion of Business

From Our Own Correspondent

MONTREAL. — Brandram-Henderson Ltd. reports that with the general forward movement of business activity, sales have expanded sharply. The company's plants were operating full time before the war and have been working overtime since war was declared.

Volume of business to date this year is ahead of the like period a year ago and earnings have shown a corresponding improvement.

Last year the company showed a loss of $9,715 after all charges. In the previous year income of $17,627 permitted a 2% interest payment on the bonds on June 1, 1938.

# London-Canadian Inv. Revenues Hold Steady

From Our Own Correspondent

MONTREAL. — London-Canadian Investment Corp.'s revenues this year to date are running along the same level as in 1938. It is possible that the final returns may show an increase, but present expectation is that revenues will be in the neighborhood of $290,000, or the same as last year.

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# Urban Building Drops by 41%

## Decreases in Montreal and Ottawa Are Chiefly Responsible

Decline of over 41% in urban building in Canada during October, in comparison with the same month last year, is shown in the Dominion Bureau of Statistics monthly bulletin on building permits issued in 58 Canadian cities. Value of building authorized in these centres during the month was $5,612,269, compared with $9,548,687 in Oct., 1938.

The decrease can be attributed only in part to war-inspired curtailment of building, being largely traceable to the substantially lower permit totals reported for Ottawa and Montreal. The figure for October a year ago in Ottawa was abnormally large because of launching of the new Supreme Court of Canada building, and the permit total in Montreal was high in Oct., 1938. The drops in these two cities accounted for more than $3.8 millions of the decline of $3.9 millions shown in the permit total for all 58 cities.

Other leading cities, including Toronto, Winnipeg, Vancouver, Halifax, Saint John and Calgary, showed increases over October of last year.

Value of urban building authorized so far this year now stands at $49,539,913, reflecting a decrease of only 6% below the first 10 months of 1938. The 1939 January-October total is higher than figures for any ten-month period in the years 1932-37 inclusive.

## New Building

City of Toronto authorities have revived consideration of two major improvement projects periodically discussed in recent years—a new north-south traffic artery east of Yonge St. (the city's main street), and a new sewage disposal scheme. Cost of the new road is estimated at $5.2 millions, and cost of various sewage plans from $6.2 millions to $12 millions.

**International Harvester Co.** has started work on $185,000 truck sales and service building on outskirts of the downtown district in Toronto. The building will replace the present showroom in another part of the city, and will be completed next March. It will have a frontage of 150 ft. and a depth of 337 ft. opening on two streets.

**Coca-Cola Co. of Canada** has given contract to Pigott Construction Co. of Hamilton, Ont., for erection of new plant at London, Ont. Plans are by Mathers & Haldenby, Toronto architects.

**Dominion Foundries & Steel Ltd.** is enlarging the office building at its Hamilton, Ont., plant.

**Tip Top Tailors Ltd.** is building new store immediately north of its main downtown store in Toronto, at estimated cost of $40,000.

**Dominion Dept. of Transport** is constructing hard surface runways at Windsor airport in collaboration with city of Windsor, Ont.

Reported by Engineering & Contract Record:

**Deauville Co.**, Montreal, plans to proceed in the spring with a $224,000 programme of construction in Hampstead, Montreal suburb, calling for 16 duplexes to be erected in apartment-style groups, with central heating plant. The firm is now completing 30 duplexes in Hampstead, and has ordered plans for $150,000 apartment house in Montreal proper.

**Alpine Resorts Ltd.** plans rebuilding of Alpine Inn at Ste. Marguerite at estimated cost of $100,000.

**A. Longo**, Toronto, has initiated construction of $125,000 apartment house in York township, Toronto suburb.

Credit Protection ALWAYS PAYS

A credit insurance policyholder of 15 years' standing makes this enlightening statement: "The writer recalls three years, possibly four, when you paid us what would otherwise have been damaging loss of capital and profit. We consider the policy . . . well worth the premium *whether we have to call on you for payment of excess loss or not."*

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# The Week's Quotations

## Toronto and Montreal Exchange

The following table is confined to official prices for listed stocks, including curb market quotations. Where no transaction is recorded, bid and asked prices are given. For unlisted stocks, quotations by unlisted dealers are published. The Financial Post cannot accept any responsibility for such quotations.

WEEK ENDING NOVEMBER 27

| Range 1939 High | Low | DivNov25 R'te $ | Y'ld % | | Sales | Last Nov. 20 | Week end. Nov. 27 H | L | Cl'se |
|---|---|---|---|---|---|---|---|---|---|
| | | | | **A** | | | | | |
| 3⅞ | ¾ | . | ... | Abitibi | 6215 | 1⅞ | 1⅞ | 1⅞ | 1⅞ |
| 21½ | 3½ | . | ... | Do. pref. 6% | 4676 | 13½ | 13¾ | 12½ | 13 |
| 36 | 4 | . | ... | Do. pref. 7% | .... | (— bid 30 asked) | | | |
| 6 | 2 | . | ... | Acme Glove | .... | (5 bid 6 asked) | | | |
| *82 | 60 | . | ... | Do. pref. | .... | (50 bid 65 asked) | | | |
| 11½ | 9½ | 60+20c | 7.3 | Agnew Surp. | 150 | 11 | 11½ | 11 | 11 |
| 111 | 104 | 7 | 6.4 | Do. pref. | .... | (105 bid 110 asked) | | | |
| 4⅞ | 1 | . | ... | Alta. Pac. Gr. | .... | (2½ bid 3 asked) | | | |
| 35½ | 13 | . | ... | Do. pref. | 305 | 32½ | 33 | 31½ | 32 |
| 20½ | 6⅞ | . | ... | Algoma Steel | 1051 | 16½ | 16½ | 15⅞ | 16½ |
| 97 | 51 | . | ... | Do. pref. | 75 | 94 | 93 | 92 | 92 |
| 142½ | 104 | 4.25+10% | | Aluminum | 129 | 126 | 127 | 125 | 125 |
| 112½ | 111½ | 6 | 5.3 | Do. pref. | .... | (112½ July 28) | | | |
| 7½ | 4½ | . | ... | Amal. Electric | 80 | 7 | 7½ | 7½ | 7½ |
| 22½ | 22½ | 60c+$1 | .. | Amer. Cyn. B. | .... | (29 bid — asked) | | | |
| 50 | 46 | 2.75 | 5.6 | Ang. Can. Tel p | 175 | 50 | 50 | 49 | 49½ |
| 28½ | 17½ | 60+65c | 5 | Asbestos | 3568 | 26 | 26 | 24⅞ | 24⅞ |
| 17 | 11 | 80+45c | 8 | Assoc. Brew. | 313 | 14⅞ | 15 | 15 | 15 |
| 115 | 109 | 7 | 6.2 | Do. pref. | .... | (112 bid — asked) | | | |
| 2 | 2 | . | ... | Assoc. T & T.A. | .... | (— bid — asked) | | | |
| 31 | 26 | 1.68 | 5.4 | Do. pref. | .... | (33 bid 34 asked) | | | |
| 102 | 100 | 5.50 | 5.5 | Ault & Wiborg. | .... | (100½ bid — asked) | | | |
| | | | | **B** | | | | | |
| 168 | 140 | 8 | 5 | Bk. Can. Nat. | 11 | 160 | 160 | 160 | 160 |
| 227 | 176 | 8 | 3.7 | Bk. Montreal | 310 | 211 | 213 | 210 | 210 |
| 315 | 285 | 12 | 3.9 | Bk. N. Scotia | 35 | 313 | 313 | 312 | 312 |
| 255 | 215 | 10 | 4 | Bk. Toronto | 4 | 250 | 250 | 250 | 250 |
| 5 | 4½ | . | ... | Barcelona | .... | (5 Mar. 18) | | | |
| 7½ | 3 | . | ... | Barker's Bread. | .... | (5½ bid 6 asked) | | | |
| 39½ | 20 | 2.50 | 7.2 | Do. pref. | .... | (33 bid 35½ asked) | | | |
| 15½ | 4⅞ | 25c | ... | Bathurst Pr. | 3170 | 14½ | 13⅞ | 12 | 13½ |
| 5½ | ⅞ | . | ... | Do. (B) | 586 | 4½ | 4 | 3⅞ | 4 |
| 2.75 | .50 | . | ... | Bawlf Grain | 375 | 1.75 | 1.65 | 1.50 | 1.60 |
| 27 | 15 | . | ... | Do. pref. | 130 | 27 | 27 | 25½ | 25½ |
| 4 | 1½ | . | ... | Beath & Sons | 100 | 4 | 4 | 4 | 4 |
| 8½ | 4 | . | ... | Beatty Bros. A. | .... | (5⅞ bid 6 asked) | | | |
| 105 | 99½ | 6 | 5.9 | Do. pref. | .... | (— bid 102 asked) | | | |
| 97 | 97 | 7 | 7.8 | Do. 2nd pref. | .... | (— bid 95 asked) | | | |
| 7⅞ | 2 | . | ... | Beauharnois | 2080 | 5⅞ | 5⅞ | 5½ | 5½ |
| 95 | 90 | 4 | 4.4 | Belding Cort. | .... | (92 bid 95 asked) | | | |
| 141 | 131 | 7 | 5.2 | Do. pref. | .... | (135 bid 140 asked) | | | |
| 178 | 140 | 8 | 4.7 | Bell Telephone | 549 | 164½ | 168½ | 163 | 167½ |
| 11 | 6 | 62½c | .. | Biltmore Hats | 150 | 10½ | 11 | 10½ | 11 |
| 8 | 3½ | . | ... | Blue Ribbon | .... | (7 bid 8 asked) | | | |
| 36⅞ | 25 | 2.50 | 6.8 | Do. pref. | 150 | 36 | 36⅞ | 36½ | 36½ |
| 24½ | 17⅞ | 1.30 | 6.5 | Brant. Cord. pf. | 18 | 20 | 19 | 19 | 19 |
| 12⅞ | 5½ | . | ... | Brazilian Tr. | 9011 | 8½ | 8½ | 8 | 8½ |
| 5⅞ | 3 | 50+25c | .. | Brew. & Distil. | 12 | 4 | 4 | 4 | 4 |
| 6½ | 6½ | 30c | 4.8 | Bright, T. G. | .... | (6½ bid — asked) | | | |
| 80 | 80 | 6 | 7.5 | Do. pref. | .... | (74 bid — asked) | | | |
| 23½ | 18⅞ | 1 | 4.3 | Brit. Amer. Oil | 3611 | 22⅞ | 23½ | 22½ | 23½ |
| 18½ | 11 | . | ... | B. C. Packers | 182 | 16½ | 16½ | 16 | 16½ |
| 28½ | 20 | 2 | 7.7 | B. C. Power A. | 522 | 25⅞ | 26 | 25½ | 26 |
| 3 | 1 | . | ... | Do. (B) | 20 | 2½ | 2½ | 2½ | 2½ |
| 6½ | 2 | . | ... | Bruck S. Mills. | 175 | 4⅞ | 4⅞ | 4½ | 4½ |
| 19 | 12⅞ | 70+10c | 4.7 | Building Prod. | 1395 | 17 | 17 | 16⅞ | 17 |
| 15⅞ | 9½ | 60c | 4.3 | Burlington St'l | 100 | 14⅞ | 14½ | 14 | 14 |
| | | | | **C** | | | | | |
| 82½ | 70 | . | ... | Calgary Power. | .... | (65 bid 70 asked) | | | |
| 100 | 93 | 6 | 6.1 | Do. pref. | .... | (99½ bid — asked) | | | |
| 6½ | 2 | . | ... | Canada Bread | 304 | 5½ | 6½ | 5 | 6 |
| 105½ | 97 | 5 | 5 | Do. pref. | .... | 101½ bid 105 asked | | | |
| 60 | 49 | 2.50+1.50▲ | 4 | Do. pref. B | 55 | 58 | 58 | 58 | 58 |
| 5 | 3 | 40c | 10.3 | Canada Bud | 120 | 4 | 4 | 3⅞ | 3⅞ |
| 10⅞ | 5⅞ | . | ... | Canada Cement | 2725 | 7⅞ | 7⅞ | 6⅞ | 7 |
| 102½ | 78 | 5 | 5.4 | Do. pref. | 230 | 92½ | 95 | 91 | 93½ |
| 105 | 100 | 5 | 4.8 | Canada Cycle p | 30 | 104 | 104½ | 104½ | 104½ |
| 33½ | 25 | 1.50+25c | 5 | C. & D. Sugar | 535 | 32½ | 32½ | 31½ | 32½ |
| b20⅞ | 12 | 50c | 3.2 | Canada Dry | 26 | 15½ | 15½ | 15 | 15½ |
| 24 | 7 | . | ... | Can. Forg. A | 30 | 22 | 19½ | 19 | 19 |
| 23 | 7 | . | ... | Do. (B) | 5 | 20½ | 21½ | 21½ | 21½ |
| 20 | 20 | . | ... | Can. Iron | .... | (20 bid 40 asked) | | | |
| 55 | 50 | 4.50 | 8.1 | Do. pref. | .... | (55 bid 75 asked) | | | |
| 38 | 28 | 1.50+50 | 5.4 | Can. Malting. | 230 | 35 | 37 | 35 | 37 |
| 18 | 13½ | 1.20 | 6.8 | Can. Nor. Pr. | 270 | 17⅞ | 17⅞ | 17½ | 17⅞ |
| 112 | 95½ | 7 | 6.5 | Do. pref. | 7 | 107⅞ | 108 | 107⅞ | 107⅞ |
| 104 | 66 | 3+1 | 3.9 | Can. Packers | 265 | 100½ | 102 | 100½ | 102 |
| *7 | 1⅞ | . | ... | Can. Paving, pf | .... | (— bid 2 asked) | | | |
| 153 | 134 | 8 | 5.6 | Can. Perman. | 7 | 140 | 145 | 142⅞ | 142⅞ |
| 7½ | 6 | . | ... | Can. Starch | .... | (6 bid — asked) | | | |
| 109 | 108 | 7 | 6.4 | Do. pref. | .... | (109 bid — asked) | | | |
| 7⅞ | 1 | . | ... | Can. Steamsh's | 5257 | 5 | 5⅞ | 4⅞ | 5½ |
| 19½ | 6 | 50c | 3.3 | Do. pref. | 1789 | 15½ | 15½ | 14½ | 15½ |
| 14 | 10 | 1.20 | 9 | Can. Vinegars | 428 | 13 | 13½ | 13 | 13½ |
| 65 | 55 | 4 | 6.7 | Can. W. Cable. | 25 | 63 | 60 | 60 | 60 |
| 25 | 14 | 50c | 2.5 | Do. (B) | .... | (19½ bid 19⅞ asked) | | | |
| 107½ | 101 | 6.50 | 6.2 | Do. pref. | .... | (106 bid — asked) | | | |
| 1½ | 1 | . | ... | Can. Bakeries | .... | (— bid 1½ asked) | | | |
| 60 | 25 | . | ... | Do. pref. | 40 | 52 | 55 | 53½ | 54 |
| 179 | 134 | 8 | 4.8 | Can. Bk. Com. | 76 | 168 | 169 | 167 | 168 |
| 1.80 | .75 | . | ... | Can. Breweries | 630 | 1.15 | 1.15 | 1.05 | 1.15 |
| 23 | 14½ | 2 | 10 | Do. pref. | 715 | 19½ | 20 | 19⅞ | 20 |
| 48 | 30 | 1.50 | 3.7 | Can. Bronze | 100 | 41 | 40 | 40 | 40 |
| 109 | 105 | 5 | 4.6 | Do. pref. | 5 | 109 | 109 | 109 | 109 |
| 11 | 2⅞ | . | ... | Can. Canners | 615 | 8⅞ | 8⅞ | 7½ | 8 |
| 20½ | 16½ | 1 | 4.9 | Do. 1st pfd. | 180 | 20½ | 20½ | 20 | 20½ |
| 14½ | 6 | 60c | 5.1 | Do. 2nd pfd. | 875 | 12½ | 12½ | 11 | 11⅞ |
| 19½ | 6½ | . | ... | Can. Car & F'y | 2576 | 15½ | 15⅞ | 14½ | 15½ |
| 34½ | 17 | . | ... | Do. pref. | 835 | 28 | 28 | 27 | 27½ |
| 25 | 10½ | 75+35c | .. | Can. Celanese | 905 | 24½ | 24⅞ | 23½ | 24½ |
| 120 | 95 | 7 | 5.9 | Do. pref. | 640 | 120 | 120 | 118½ | 119 |
| 21 | 17⅞ | 1 | 4.8 | Do. Rights | .... | (21 bid 23 asked) | | | |
| 18 | 4 | . | ... | Can. Convert. | 70 | 14 | 15 | 14 | 14 |
| 103 | 63 | 4 | 3.9 | Can. Cottons | 115 | 102 | 103 | 102½ | 103 |
| 110 | 100 | 6 | 5.4 | Do. pref. | 10 | 110 | 110 | 110 | 110 |
| 25 | 10½ | 1 | 4.3 | Can. Dredge | 25 | 22 | 23 | 23 | 23 |
| 102½ | 98½ | 6 | 5.8 | Can. Fairb. pf. | .... | (100 bid — asked) | | | |
| 13 | 6 | 1.40 | 11.2 | Can. For. Inv. | .... | (— bid 12½ asked) | | | |
| 100 | 90 | 8 | 8 | Do. pref. | .... | (100 Oct. 31) | | | |
| 255½ | 200 | 6 | 3 | Can. Gen. Elec. | .... | (200 bid — asked) | | | |
| 9½ | 7 | 50c | 5.3 | Can. G. Inv. | .... | (8⅞ bid — asked) | | | |
| 4⅞ | 1½ | †15c | ... | Can. Ind. Alc. | 2725 | 3⅞ | 3⅞ | 3½ | 3½ |
| 4⅞ | 1½ | †15c | ... | Do. (B) | 50 | 3½ | 3½ | 3½ | 3½ |
| 238 | 192½ | 7 | 2.9 | Can. Indust. B. | .... | (234 bid 242 asked) | | | |
| 175 | 157 | 7 | 4.2 | Do. pref. | .... | (169 bid 172 asked) | | | |
| .75 | .20 | . | ... | Can. Int. I. Tr. | .... | (— bid 1.00 asked) | | | |
| 50 | 40 | 2 | 4.4 | Do. pref. | .... | (45 bid — asked) | | | |
| 16½ | 12½ | 1 | 6.1 | Can. Lt. & Pr. | .... | (16½ bid 18 asked) | | | |
| 20 | 4 | . | ... | Can. Locomo. | 35 | 14 | 13 | 12 | 12 |
| 1 | 1 | . | ... | Can. Mach'y | .... | (1½ bid — asked) | | | |
| 21 | 18 | . | ... | Do., pref. | .... | (22 bid — asked) | | | |
| 1.85 | .75 | . | ... | Can. Marconi | 430 | 1.25 | 1.30 | 1.15 | 1.20 |
| 20 | 12 | 50+50c | 5.7 | Can. Oil | 505 | 16½ | 17½ | 16⅞ | 17½ |
| 122 | 106 | 6 | 6.8 | Do. pref. | .... | (118 bid 120 asked) | | | |
| 9½ | 3 | . | ... | Can. Pacific | 15581 | 6⅞ | 6⅞ | 5⅞ | 6 |
| 1.60 | .30 | . | ... | C. Pr. & Pa. In. | 39 | 1.00 | 1.00 | 1.00 | 1.00 |
| 6½ | 3½ | . | ... | Do. pref. | .... | (4 bid 5½ asked) | | | |
| 10 | 2 | . | ... | Can. Vickers | 650 | 6⅞ | 7 | 6½ | 6½ |
| 41 | 10 | . | ... | Do. pref. | 10 | 30 | 25 | 25 | 25 |
| 15 | 9 | 50c | 5 | C. Wallpaper A | .... | (9½ bid 10 asked) | | | |
| 13 | 9 | 50c | 5.5 | Do. (B) | 1 | 10 | 9 | 9 | 9 |
| 60 | 48 | 1.87½ | 3.6 | Can. West'ho'se | 160 | 51½ | 53 | 52 | 52 |
| 4½ | 3 | 40c | 9.4 | Can. Wineries | 250 | 4½ | 4½ | 4½ | 4½ |
| 20½ | 14⅞ | 1.50 | 7.8 | Can. Wire Box. | 30 | 19 | 19½ | 18⅞ | 19½ |
| 3.00 | .80 | . | ... | Capital Estates | 200 | 1.95 | 1.90 | 1.85 | 1.85 |
| 115 | 103⅞ | 5 | 4.3 | Carnation, pfd. | 20 | 114 | 115 | 115 | 115 |
| 13 | 6 | 50+25c | 6 | Catelli Food | 20 | 12½ | 12 | 12 | 12 |
| 13 | 11 | 75c | 6 | Do. pref. | 40 | 12½ | 12 | 12 | 12 |
| 3.00 | 1.60 | . | ... | Celtic Knit | 15 | 3.00 | 2.50 | 2.50 | 2.50 |
| 165 | 160 | 8 | 4.5 | Cent. Can. L'n. | .... | (145 bid 170 asked) | | | |
| 100 | 95 | 4+1 | 5 | Chart. Trust | .... | (100 bid — asked) | | | |
| .70 | .14 | . | ... | Chem Research | 400 | .22 | .21 | .18 | .18 |
| 1.10 | .10 | . | ... | City Gas & El. | .... | (.20 bid .25 asked) | | | |
| .15 | .05 | . | ... | Claude Neon | .... | (.15 bid .20 asked) | | | |
| 1.35 | 1.00 | 12c | 10 | Coast Brew. | 700 | 1.18 | 1.22 | 1.18 | 1.22 |
| 11½ | 5 | . | ... | Cockshutt Plow | 585 | 9½ | 9⅞ | 8½ | 8½ |
| 3⅞ | 1½ | 10c | ... | Comm. Alcohol | 1750 | 3 | 3½ | 2⅞ | 3 |
| 6⅞ | 4⅞ | 40c | 5.8 | Do. pref. | 25 | 6⅞ | 6⅞ | 6⅞ | 6⅞ |
| 4½ | 3 | 30c | 6.7 | Conduits Nat. | .... | (3⅞ bid 5 asked) | | | |
| 17½ | 12 | 1+15 | 6.6 | Cons. Bakeries. | 255 | 17½ | 17½ | 17 | 17 |
| .06 | .05 | . | ... | Cons. Div. Sec. | 27 | .05 | .06 | .06 | .06 |
| 9½ | 6½ | 75c | 7.9 | Do. pref. | 16 | 9 | 9½ | 9 | 9 |
| 9½ | 2⅞ | . | ... | Cons. Paper | 6848 | 7⅞ | 7½ | 6½ | 6⅞ |
| 10 | 5 | . | ... | Cons. Press | 25 | 10 | 9 | 9 | 9 |
| 75 | 46 | 1.75 | ... | Cons. Sand, pf. | .... | (50 bid 70 asked) | | | |
| 61½ | 37½ | 1+1 | 4.2 | Cons. Smelters. | 1230 | 49 | 49½ | 46½ | 47½ |
| 183 | 150 | 10 | 6 | Consumers' Gas | 117 | 166 | 167 | 165½ | 165½ |
| 45 | 20½ | . | ... | Corr. P. Box, p. | 15 | 45 | 42½ | 42 | 42½ |
| 27½ | 16⅞ | 1.20 | 4.3 | Cosmos Imp. | 350 | 26½ | 27½ | 26 | 27 |
| 105 | 101 | 5 | 4.8 | Do. pref. | .... | (105 bid — asked) | | | |
| 30 | 21 | 1.60 | 5.4 | Crown Cork | 365 | 20 | 30 | 29⅞ | 29⅞ |
| 5 | 2 | . | ... | Crown Dom. Oil | 50 | 3 | 2⅞ | 2⅞ | 2⅞ |
| 35 | 24 | 3 | ... | Crow's N. Coal | 15 | 25 | 27 | 27 | 27 |
| 4.25 | .50 | . | ... | Cub. Aircraft. | 1300 | 3.00 | 3.00 | 2.25 | 2.87 |
| | | | | **D, E** | | | | | |
| 17 | 11 | 60+65c | .. | David & Fr. A | .... | (14 bid 16 asked) | | | |
| 2½ | 1½ | . | ... | Do. (B) | .... | (1⅞ bid 2 asked) | | | |
| 17½ | 5 | . | ... | De Havilland | 3005 | 12 | 17½ | 12 | 15 |
| 90 | 70 | . | ... | Do. pref. | .... | (60 bid — asked) | | | |
| 3 | 2½ | . | ... | Disher Steel | .... | (2½ bid 3½ asked) | | | |
| 13 | 9 | . | ... | Do. pref. | 10 | 13 | 13 | 13 | 13 |
| 22 | 15 | 2.05½ | 9.7 | Distill-Seagram | 4050 | 21⅞ | 21⅞ | 21 | 21⅞ |
| 90 | 75 | 5 | 5.9 | Do. pref. | .... | (83 bid 89 asked) | | | |
| 30 | 30 | . | ... | Dom. Ang. Inv. | .... | (40 bid — asked) | | | |
| 75 | 75 | 5+2.50▲ | ... | Do. pref. | .... | (70 bid 84 asked) | | | |
| 210½ | 185 | 10 | 4.8 | Dom. Bank | 11 | 210 | 210 | 206 | 206 |
| 46⅞ | 23⅞ | 1.20 | 3.1 | Dom. Bridge | 953 | 39 | 39½ | 36⅞ | 39 |
| 22 | 15 | 1.50 | 7.2 | Dom. Coal, pf. | 290 | 20 | 21½ | 21 | 21 |
| 45 | 20 | . | ... | Dom. Engineer. | 15 | 38½ | 38 | 38 | 38 |
| 40½ | 19 | 1 | 2.7 | Dom. Foundries | 1440 | 37 | 37 | 35½ | 37 |
| 110 | 104½ | 6 | 5.4 | Do. pref. | .... | 106½ bid 109 asked | | | |
| 125 | 105 | 5 | 4.1 | Dom. Glass | 40 | 125 | 125 | 123 | 123 |
| 165 | 145 | 7 | 4.8 | Do. pref. | 15 | 145 | 145 | 145 | 145 |
| 33 | 28 | 1.20+40c | | Dom. Oilcloth. | .... | (30 bid — asked) | | | |
| 2 | ½ | . | ... | Dom. Scot. Inv. | .... | (1½ bid 1⅞ asked) | | | |
| 30 | 25 | 2.20 | ... | Do. pref. | 40 | 29 | 27 | 25 | 27 |
| 4½ | 3 | . | ... | Dom. Square | 60 | 3 | 4½ | 4½ | 4½ |
| 18½ | 7½ | . | ... | Dom. St. & C.B. | 6656 | 15⅞ | 15⅞ | 14⅞ | 15½ |
| 7⅞ | 3 | . | ... | Dom. Stores | 178 | 5⅞ | 5⅞ | 5½ | 5½ |
| 7½ | 3½ | . | ... | Dom. Tar & Ch. | 940 | 6⅞ | 6½ | 5⅞ | 6 |
| 88 | 69 | 5.50 | 6.5 | Do. pref. | 100 | 85 | 85 | 85 | 85 |
| 90½ | 55 | 5 | 5.6 | Dom. Textile | 553 | 89½ | 89⅞ | 89½ | 89⅞ |
| 161 | 147 | 7 | 4.7 | Do. pref. | 50 | 155 | 148 | 148 | 148 |
| 10⅞ | 2 | . | ... | Donnacona P.A. | 1825 | 9½ | 9 | 8½ | 8½ |
| 11 | 2 | . | ... | Do. (B) | 518 | 8½ | 8 | 7½ | 7½ |
| 13 | 3 | . | ... | Dryden Paper. | 860 | 11½ | 11 | 10½ | 11 |
| 1.00 | .30 | . | ... | East Koot. Pr. | .... | (— bid 1.25 asked) | | | |
| 8½ | 5½ | . | ... | Do. pref. | .... | (6 bid 15 asked) | | | |
| 1.50 | .45 | . | ... | East Dairies | 25 | 1.25 | 1.00 | 1.00 | 1.00 |
| 7 | 2 | . | ... | Do. pref. | 5 | 7 | 6 | 6 | 6 |
| 19⅞ | 11 | 1 | 5.7 | East Steel | 75 | 18½ | 18 | 17½ | 18 |
| 98½ | 65 | 7 | 7.1 | East Theat. pf. | .... | (90 bid — asked) | | | |
| 3½ | 1½ | . | ... | Easy Washing. | 25 | 3 | 2½ | 2½ | 2½ |
| 30 | 22 | 1.75 | ... | Economic Inv. | .... | (25 bid 28 asked) | | | |
| 15 | 8 | 1.20 | 13.3 | Electrolux | 110 | 9 | 9 | 9 | 9 |
| 3 | 1 | . | ... | Enam. & Heat. | 233 | 3 | 2 | 2 | 2 |
| 34 | 25 | 2.50 | 7.3 | English Elec. | .... | (25 bid — asked) | | | |
| 8½ | 2 | . | ... | Do. (B) | .... | (— bid 6 asked) | | | |
| 8 | 3½ | 15c | ... | Equitable Life. | .... | (4½ bid 5⅞ asked) | | | |
| 8 | 5½ | 60c | ... | European El. A. | .... | (— bid — asked) | | | |
| *.10 | .01 | . | ... | Do. Warrants | .... | (— bid — asked) | | | |
| | | | | **F, G** | | | | | |
| 8 | 2⅞ | . | ... | Fairchild Air. | 3525 | 6½ | 6⅞ | 5½ | 6½ |
| 23⅞ | 18 | 1 | 4.9 | Fam. Players | 215 | 20½ | 20½ | 20½ | 20½ |
| 25 | 19 | 1+60c | 6.1 | Fanny Farmer | 860 | 24½ | 25 | 24½ | 24⅞ |
| 11½ | 3½ | . | ... | Fleet Aircraft | 14898 | 9½ | 10 | 7½ | 9⅞ |
| 3½ | 1 | . | ... | Fleury Bissell | .... | (1½ bid 3 asked) | | | |
| 34 | 25 | . | ... | Do. pref. | 200 | 33 | 32 | 30 | 31½ |
| 24½ | 16½ | 1 | 4.6 | Ford Motor A. | 2837 | 22 | 22½ | 21½ | 21⅞ |
| 24 | 17½ | 1 | 4.2 | Do. (B) | .... | (21⅞ bid 22½ asked) | | | |
| .35 | .15 | . | ... | For. Pr. Secs. | .... | (.20 bid — asked) | | | |
| 12½ | 6½ | . | ... | Foundation Co. | 155 | 10½ | 10½ | 8⅞ | 10½ |
| 22 | 5 | . | ... | Fraser Cos. | 117 | 16½ | 16½ | 15 | 16½ |
| 23½ | 5 | . | ... | Do. Vot. Tr. | 3245 | 18½ | 18½ | 16⅞ | 18½ |
| .30 | .25 | . | ... | Freiman | .... | (— bid 1 asked) | | | |
| 30 | 20 | . | ... | Do. pref. | .... | (10 bid 25 asked) | | | |
| 16½ | 11 | 80+5c | 5 | Gatineau Pwr. | 1490 | 16 | 16 | 15⅞ | 15⅞ |
| 96 | 78 | 5 | 5.3 | Do. pref. | 160 | 95 | 96 | 94 | 94 |
| 104 | 100 | 5.50 | 5.4 | Do. 5½% pref. | 302 | 102 | 104 | 100½ | 102 |
| 6 | 2½ | . | ... | Do. Rights | 725 | 6 | 5½ | 4½ | 5½ |
| 12 | 4½ | . | ... | Gen. St. Wares. | 2175 | 9½ | 9⅞ | 8½ | 9½ |
| 92½ | 55 | 7.00 | ... | Do. pref. | 260 | 89 | 90 | 88 | 89 |
| 90 | 66 | 2.50+5 | 8.6 | Goodyear Tire | 75 | 86⅞ | 87 | 86½ | 87 |
| 58½ | 52½ | 2.50 | 4.6 | Do. pref. | 52 | 55 | 54 | 53½ | 53⅞ |
| 50 | 50 | 2 | ... | Goulds Pump p | .... | (— bid — asked) | | | |
| 9½ | 5 | . | ... | Gt. Lakes Pap. | .... | (— bid 8⅞ asked) | | | |
| 28 | 12 | . | ... | Do. pref. | 15 | 28 | 27 | 27 | 27 |
| 10½ | 2½ | . | ... | Do. Vot. Tr. c | 121 | 8⅞ | 8 | 7 | 8 |
| 29½ | 9½ | . | ... | Do. Vot. Tr. p | 230 | 24 | 26 | 24 | 26 |
| 2.25 | .60 | . | ... | Gt. W Saddlery | .... | (.95 bid 1.25 asked) | | | |
| 25 | 8 | . | ... | Do. pref. | .... | (19½ bid 30 asked) | | | |
| 13⅞ | 9½ | 60c | 4.6 | Greening Wire. | .... | (12½ bid 13½ asked) | | | |
| 6½ | 4 | †30c | .. | Gurd, Chas. | 1720 | 6 | 6½ | 5½ | 6 |
| 108 | 107 | 7 | 6.7 | Do. pref. | .... | (104 bid — asked) | | | |
| 7 | 3 | . | ... | Gypsum, Lime. | 1855 | 4⅞ | 4½ | 4⅞ | 4⅞ |
| | | | | **H, I** | | | | | |
| 9½ | 6 | . | ... | Ham. Bridge | 1865 | 6⅞ | 6⅞ | 6 | 6½ |
| 35½ | 22 | 2 | 5.7 | Ham. Cot., pf. | 100 | 35 | 35 | 35 | 35 |
| 1.00 | .45 | . | ... | Ham. U. Theat. | 10 | 1.00 | 1.00 | 1.00 | 1.00 |
| 65 | 49½ | 6 | 9.4 | Do. pref. | 15 | 65 | 64 | 64 | 64 |
| 4½ | 2½ | 20c | 5.3 | Harding Carpet | 240 | 4 | 3⅞ | 3⅞ | 3⅞ |
| *5 | 4½ | . | ... | Hillcrest Coll. | .... | (2 bid 5 asked) | | | |
| 3½ | 1⅞ | . | ... | Do. pref. | .... | (4 bid 10 asked) | | | |
| 15½ | 7 | 50c | 3.8 | Hinde & Dauch | 170 | 12⅞ | 13½ | 12⅞ | 13½ |
| *20 | 20 | . | ... | Holt Renfrew | .... | (— bid 15 asked) | | | |
| 40 | 35 | . | ... | Do. pref. | .... | (35 bid 37 asked) | | | |
| 13 | 9 | . | ... | Honey Dew | 73 | 13 | 12½ | 12 | 12 |
| 20½ | 8½ | . | ... | H. Smith Pap. | 1725 | 17 | 18 | 17 | 17½ |
| 102 | 88 | 6 | 6.1 | Do. pref. | .... | (101 bid 102 asked) | | | |
| 15½ | 10 | 1 | 7.2 | Humberstone S. | 55 | 14½ | 15 | 14 | 14 |
| 5 | 1 | . | ... | Hunts (A) | 50 | 4 | 4 | 4 | 4 |
| 5 | 2 | . | ... | Do. (B) | 10 | 2½ | 4 | 4 | 4 |
| 71 | 60 | 4 | 5.6 | Huron & E. Mt. | 9 | 70 | 71 | 71 | 71 |
| 10 | 8 | 80c | ... | Do. 20% pd. | .... | (10 bid 12 asked) | | | |
| 4½ | 3 | 20c | 6.4 | Hydro Electric. | .... | (1½ bid — asked) | | | |
| 221 | 185 | 10 | 4.6 | Imperial Bank | 21 | 212 | 215 | 214⅞ | 214⅞ |
| 18⅞ | 12½ | 50+50c | 6.2 | Imperial Oil | 7359 | 16 | 16½ | 15⅞ | 16½ |
| 17 | 12⅞ | 40+22½c | 4.1 | Imperial Tob. | 4633 | 15 | 15 | 14⅞ | 15 |
| 8 | 6⅞ | 6% | ... | Do. pref. | 665 | 6⅞ | 7⅞ | 7 | 7½ |
| 33 | 23½ | 2+12½c | 8 | Indust. Accept. | 200 | 26½ | 26½ | 26 | 26½ |
| 35 | 20 | 3 | ... | Inter-City Bak. | 25 | 32 | 34 | 34 | 34 |
| 55 | 45 | 4+2 | ... | Inter'c Coal | .... | (50 bid 52 asked) | | | |
| *126 | 119⅞ | 8 | 6.7 | Do. pref. | .... | (— bid — asked) | | | |
| 22½ | 15 | 1.50 | 7.2 | Inter. Bronze | 25 | 21½ | 20⅞ | 20⅞ | 20⅞ |
| 30 | 20 | 1.50 | 5.3 | Do. pref. | 140 | 27½ | 28 | 27 | 28 |
| .30 | .25 | 3c | ... | Int. Coal & C. | .... | (.20 bid .25 asked) | | | |
| b8½ | 3⅞ | . | ... | Int. Hyd. E.A. | 12 | 5½ | 5½ | 5 | 5 |
| 14⅞ | 3½ | . | ... | Int. Metal Ind. | 2547 | 14½ | 14⅞ | 13⅞ | 14½ |
| 106 | 70 | 6+4.25▲ | 5.7 | Do. pref. | 520 | 104 | 106 | 104 | 106 |
| 105 | 70 | 6+4.25▲ | 5.7 | Do. pref. A | 115 | 103 | 105 | 104 | 105 |
| 114 | 104 | 5 | 4.4 | Int. Mill., pf. | 110 | 113½ | 113½ | 113 | 113½ |
| 60½ | 42⅞ | 2 | 4.2 | Int. Nickel | 2216 | 48 | 48 | 46⅞ | 47⅞ |
| 4 | 1½ | . | ... | Int. Paints | 245 | 4 | 4 | 4 | 4 |
| 19 | 11⅞ | 1+25c▲ | .. | Do. pref. | .... | (15½ bid 18⅞ asked) | | | |
| b14⅞ | 6 | . | ... | Int. Pap. & P. | 65 | 12⅞ | 13½ | 12⅞ | 12½ |
| b56½ | 25½ | . | ... | Do. pref. | 76 | 49½ | 49⅞ | 47 | 48 |
| 29 | 18⅞ | 1.50+25 | 7 | Int. Pete. | 7294 | 25½ | 25½ | 24 | 25 |
| 4 | 2 | . | ... | Int. Power | 65 | 2½ | 2½ | 2½ | 2½ |
| 81 | 67½ | 6 | 7.9 | Do. pref. | 20 | 76 | 76 | 76 | 76 |
| *11⅞ | 10½ | . | ... | Int. St. Rlty. A. | .... | (— bid 14 asked) | | | |
| *4 | 3⅞ | . | ... | Do. (B) | .... | (— bid 4⅞ asked) | | | |
| 10 | 5 | . | ... | Int. Util. A | 55 | 8½ | 8½ | 8½ | 8½ |
| 1.00 | .35 | . | ... | Do. (B) | 2100 | .60 | .55 | .50 | .55 |
| | | | | **J, K, L** | | | | | |
| 40½ | 35½ | 2 | 5.1 | Jam. Pub. Ser. | .... | (40½ bid 41 asked) | | | |
| 133 | 129 | 7 | 5.3 | Do. pref. | .... | (133 bid — asked) | | | |
| 12 | 9 | 50c | 5 | Kelvinator | 5 | 10 | 9 | 9 | 9 |
| 28 | 5 | . | ... | L. St. John Pr. | 38 | 25 | 25 | 23 | 23 |
| 5½ | ½ | . | ... | Lake Sulphite | 25 | 3 | 3 | 2½ | 2½ |
| 28½ | 13 | . | ... | Lake of Woods. | 340 | 23½ | 23½ | 22 | 23½ |
| 126 | 112 | 7 | 5.6 | Do. pref. | 15 | 126 | 125 | 125 | 125 |
| 65 | 39 | 4 | 10 | Landed Bank | .... | (39 bid 50 asked) | | | |
| 16 | 9⅞ | 70c | 4.7 | Lang, J. A. | 390 | 15 | 15 | 14⅞ | 14⅞ |
| *3 | 2½ | . | ... | Langley's | .... | (— bid 1⅞ asked) | | | |
| 25½ | 20 | 1▲ | ... | Do. pref. | 10 | 20 | 20 | 20 | 20 |
| 13½ | 10 | 80c | 6.3 | Laura Secord | 771 | 12⅞ | 13½ | 12½ | 12½ |
| 9⅞ | 4½ | . | ... | Legare, pref. | 140 | 8½ | 8½ | 7½ | 8½ |
| 5½ | 3 | . | ... | Lindsay, C. W. | 250 | 3 | 4½ | 4⅞ | 4⅞ |
| *78 | 66 | . | ... | Do. pref. | .... | (— bid 44½ asked) | | | |
| 29 | 22 | 1+25c | 4.5 | Loblaw (A) | 590 | 28 | 28 | 27 | 27 |
| 27½ | 21 | 1+25c | 4.8 | Do. (B) | 247 | 26⅞ | 26⅞ | 26 | 26½ |
| | | | | **M** | | | | | |
| 1.05 | .45 | . | ... | Mackenzie Air. | .... | (.35 bid .50 asked) | | | |
| 3 | 2 | . | ... | MacKin. Steel | .... | (4 bid — asked) | | | |
| 62 | 55 | 7 | ... | Do. pref. | .... | (65 bid 75 asked) | | | |
| 21 | 8 | . | ... | Maclaren Pr. pf. | 895 | 17½ | 17½ | 16 | 16 |
| 8 | 3½ | . | ... | M. L. Gardens. | .... | (6½ bid — asked) | | | |
| 8 | 5 | 70c | 9.3 | Do. pref. | .... | (6½ bid 7½ asked) | | | |
| 7 | 1 | . | ... | Maple Leaf M. | 656 | 4½ | 4⅞ | 4 | 4⅞ |
| 10½ | 2½ | . | ... | Do. pref. | 443 | 8½ | 8 | 7½ | 7½ |
| 16 | 15⅞ | 70+2½c | .. | Maritime Tele. | .... | (16 bid — asked) | | | |
| 17 | 16⅞ | 70c | ... | Do. pref. | .... | (16⅞ bid — asked) | | | |
| 15⅞ | 12 | . | ... | Marcus Loew's | .... | (12 Sept. 28) | | | |
| *115 | 115 | 7+24.50▲ | ... | Do. pref. | .... | (— bid — asked) | | | |
| 9½ | 2⅞ | . | ... | Massey-Harris | 7425 | 5⅞ | 6 | 5½ | 5⅞ |
| 64 | 29½ | . | ... | Do. pref. | 2600 | 58⅞ | 59 | 56 | 57½ |
| 9⅞ | 5 | . | ... | McColl Fron. | 489 | 8 | 8½ | 8 | 8 |
| 98 | 92½ | 6 | 6.2 | Do. pref. | 204 | 96 | 97 | 96 | 97 |
| 2 | 1 | . | ... | Do. Rights | 1127 | .. | 2 | 1 | 1 |
| 2.00 | 1.20 | . | ... | Melchers | 85 | 1.75 | 1.75 | 1.75 | 1.75 |
| 7 | 4 | 60c | 9.6 | Do. pref. | 61 | 6½ | 6½ | 6 | 6½ |
| 1½ | 1½ | . | ... | Mercantile Tr'n. | .... | (— bid — asked) | | | |
| 5 | 5 | 3% | ... | Do. pref. | .... | (— bid — asked) | | | |
| *2½ | 2½ | . | ... | Mercury Mills | .... | ( — bid 1 asked) | | | |
| 25½ | 5½ | . | ... | Do. pref. | 80 | 17½ | 20 | 17 | 18½ |
| 52 | 50 | 2 | 4 | Mitchell, J. S. | .... | (50 bid — asked) | | | |
| 113 | 112 | 7 | 6.2 | Do. pref. | .... | (113 bid — asked) | | | |
| 20 | 6 | . | ... | Mitchell, Robt. | 2261 | 13½ | 14⅞ | 12½ | 14 |
| 3½ | 1 | . | ... | Monarch Knit. | .... | (2½ bid 5 asked) | | | |
| 52 | 19½ | . | ... | Do. pref. | .... | (50 bid — asked) | | | |
| 55 | 33 | 2 | 3.6 | Montreal Cot. | .... | (55 bid 60 asked) | | | |
| 110 | 98 | 7 | 6.4 | Do. pref. | 15 | 101 | 110 | 110 | 110 |
| 1.50 | .25 | . | ... | Mont. Is. Pr. | .... | (.25 bid .50 asked) | | | |
| 33 | 26 | 1.50 | 4.9 | Mont. L. & Pr. | 7124 | 30½ | 30⅞ | 30 | 30½ |
| 51⅞ | 41½ | . | ... | Do. Notes | 25 | 49½ | 49½ | 49½ | 49½ |
| 28 | 22 | 2 | 9 | Montreal Loan. | 50 | 25 | 22 | 22 | 22 |
| 1.00 | .50 | . | ... | Mtl. Refrig & S | .... | (.50 Aug. 28) | | | |
| 12½ | 10 | 1.25 | ... | Do. pref. | .... | (10 Aug. 28) | | | |
| 60 | 49½ | 3.20 | 6.4 | Montreal Tele. | 50 | 50 | 49½ | 49½ | 49½ |
| 73 | 49 | 6 | 12 | Montreal Trams | 195 | 53⅞ | 54 | 49 | 50 |
| 45½ | 35 | 1.60+40c | 4.5 | Moore Corp. | 927 | 44 | 44⅞ | 43 | 44 |
| 182 | 150 | 7 | 3.9 | Do. pref. (A) | 1 | 177 | 177 | 177 | 177 |
| 267 | 208 | 7 | 2.7 | Do. pref. (B) | 1 | 264 | 263 | 263 | 263 |
| .10 | .05 | . | ... | Muirheads | .... | (— bid .25 asked) | | | |
| *4 | 2⅞ | . | ... | Do. pref. | .... | (— bid 3½ asked) | | | |
| | | | | **N, O** | | | | | |
| 43 | 31 | 2 | 5.4 | Nat. Breweries. | 500 | 36⅞ | 37 | 36 | 36 |
| 45½ | 35 | 1.75 | 4.2 | Do. pref. | 90 | 41 | 42 | 42 | 42 |
| 7⅞ | 4½ | . | ... | Nat. Grocers | 650 | 7 | 7 | 7 | 7 |
| 25⅞ | 23 | 1.50 | 5.8 | Do. pref. | 80 | 25½ | 25⅞ | 25½ | 25⅞ |
| 13½ | 8 | . | ... | N. Sew. Pipe A. | 400 | 8½ | 8½ | 8½ | 8½ |
| 76½ | 39½ | 2 | 2.9 | Nat. Steel Car. | 2457 | 65⅞ | 68 | 62 | 68 |
| 205 | 190 | 8 | 4.1 | National Tr. | .... | 190½ bid 194 asked | | | |
| 7½ | 7½ | 50c | 6.9 | Neon Inv. | .... | (— bid — asked) | | | |
| 28 | 16 | 1 | 4.2 | Niag. W. Weav. | 310 | 22½ | 24 | 22 | 23½ |
| 1.25 | .40 | . | ... | North Star Oil. | .... | (.60 bid 1.00 asked | | | |
| 3⅞ | 3 | 35c | 9.7 | Do. pref. | 50 | 3⅞ | 3⅞ | 3⅞ | 3⅞ |
| 95½ | 92 | 6 | 6.4 | N. S. L. & Pr. | .... | (93 bid — asked) | | | |
| 107 | 102 | 6 | 5.7 | Do. pref. | .... | (106⅞ bid — asked) | | | |
| *15 | 9 | . | ... | N. S. Steel, pf. | .... | (— bid — asked) | | | |
| 35⅞ | 23 | 1 | 2.9 | Ogilvie Flour. | 495 | 31½ | 34½ | 32 | 34 |
| 170 | 150 | 7 | 4.5 | Do. pref. | .... | (155½ bid — asked) | | | |
| 112 | 98½ | 5 | 5.1 | Ontario Loan | .... | (105 bid 115 asked) | | | |
| *7½ | 4⅞ | . | ... | Ont. Silknit | .... | (— bid 4⅞ asked) | | | |
| 25 | 7½ | . | ... | Do. pref. | 15 | 25 | 25 | 25 | 25 |
| 5 | 3 | . | ... | Do. Script | 51 | 3 | 5 | 5 | 5 |
| 14⅞ | 6 | 60c | ... | Ont. Steel | .... | (9 bid 15 asked) | | | |
| 110 | 90 | 7 | 6.4 | Do. pref. | .... | (110 Oct. 12) | | | |
| 5 | 1½ | . | ... | Orange Crush. | 205 | 4½ | 4⅞ | 4 | 4⅞ |
| 7⅞ | 4 | 70c | 9.2 | Do. pref. | .... | (7 bid 7½ asked) | | | |
| 13 | 13 | . | ... | Ottawa Car Air. | 15 | 13 | 13 | 13 | 13 |
| 8½ | 4 | . | ... | Ottawa El. Rly. | 13 | 6½ | 6½ | 6½ | 6½ |
| 15½ | 14 | 1 | 6.7 | Ott. L. H. & Pr. | 25 | 15 | 15 | 15 | 15 |
| 102 | 98 | 5 | 5 | Do. pref. | 10 | 100 | 100 | 100 | 100 |
| | | | | **P, Q, R** | | | | | |
| 20 | 10 | 3c | ... | Pacific Coyle | 1000 | 20 | 20 | 20 | 20 |
| 110 | 93 | 4 | 3.7 | Page Hersey | 65 | 107 | 107⅞ | 107 | 107⅞ |
| 7 | 4⅞ | . | ... | Pantepec Oil | .... | (5 bid — asked) | | | |
| 24 | 5 | 50c | ... | Paton Mfg. | 24 | 20 | 24 | 24 | 24 |
| 115 | 100 | 7 | 6.1 | Do. pref. | .... | (110 bid — asked) | | | |
| 65 | 38 | 3 | 4.9 | Penmans | 60 | 62½ | 61 | 60 | 60½ |
| 130½ | 115 | 6 | 4.6 | Do. pref. | 40 | 125 | 130 | 130 | 130 |
| 20 | 15 | 1 | 5.4 | Photo Eng. | 100 | 18½ | 18½ | 18½ | 18½ |
| 101 | 95½ | 7 | 7 | Porto Rico Pr p | .... | (100 bid — asked) | | | |
| 12½ | 7 | 60c | 6 | Power Corp. | 557 | 10 | 10 | 9⅞ | 10 |
| 105 | 96 | 6 | 6 | Do. pref. | 65 | 100½ | 100½ | 99⅞ | 99⅞ |
| 47 | 41 | 3 | 7 | Do. 2nd pref. | .... | (43 bid 45 asked) | | | |
| 13 | 5 | . | ... | Pressed Metals. | 15 | 11⅞ | 11 | 11 | 11 |
| 24 | 6½ | . | ... | Price Bros. | 3505 | 20½ | 20 | 18 | 19 |
| 67½ | 36 | . | ... | Do. pref. | 375 | 66½ | 67½ | 67 | 67½ |
| 8 | 5½ | 20c | 3.3 | Prov. Transport | 200 | 6 | 6 | 6 | 6 |
| 19 | 15 | 1 | 5.9 | Quebec Power. | 72 | 17 | 16⅞ | 16⅞ | 16⅞ |
| 5 | 4½ | . | ... | Quebec Teleph. | .... | (4½ bid — asked) | | | |
| 35 | 30 | 2 | 6.7 | Real Estate L'n | .... | (30 bid — asked) | | | |
| 7½ | 2 | . | ... | Regent Knit | 125 | 6 | 6 | 5⅞ | 6 |
| 21 | 17 | . | ... | Do. pref. | .... | (17 bid 18 asked) | | | |
| 2⅞ | 2 | 25c | ... | Reinhardt Brew | 150 | 2½ | 2 | 2 | 2 |
| 6½ | 1½ | . | ... | Reliance Grain. | .... | (5½ bid 5½ asked) | | | |
| *12½ | 10½ | 80c | ... | Remington R'd. | .... | (10½ bid — asked) | | | |
| 28 | 22½ | 2 | 7.3 | River S. Mills. | 165 | 28 | 27⅞ | 27½ | 27½ |
| 4½ | 1⅞ | . | ... | Rogers Majest. | 260 | 3 | 3½ | 3 | 3 |
| 16 | 7 | 50c | ... | Rolland Pap. | .... | (13 bid — asked) | | | |
| 18 | 6 | 50c | ... | Do. Vot. Trust | 100 | 16½ | 15 | 15 | 15 |
| 99 | 90 | 6 | 6.2 | Do. pref. | 10 | 96 | 96 | 96 | 96 |
| 193 | 140 | 8 | 4.2 | Royal Bank | 219 | 185 | 190 | 184 | 189 |
| 100 | 71 | 7 | 7 | Russell Indust. | .... | (115 bid — asked) | | | |
| 139 | 112 | 7 | 5 | Do. pref. | 36 | 131 | 139 | 135 | 138 |
| | | | | **S** | | | | | |
| 107½ | 100 | 5.50 | 5.2 | Saguenay Pr. p. | 121 | 107 | 107½ | 107 | 107 |
| 26 | 17½ | 1 | 3.8 | Sangamo | .... | (23 bid 27 asked) | | | |
| 8 | 4 | . | ... | Sarnia Br. (A) | .... | (6½ bid 6⅞ asked) | | | |
| 6 | 2 | . | ... | Do. (B) | .... | (2½ bid 4 asked) | | | |
| 25 | 18½ | 90c | 4 | Shawinigan Pr. | 1369 | 23⅞ | 23½ | 21½ | 22½ |
| 14⅞ | 10 | . | ... | Sher. Wms. | 120 | 13½ | 13 | 12 | 12⅞ |
| 115 | 103 | 7 | 6.2 | Do. pref. | 10 | 112 | 113 | 112 | 113 |
| 5 | 1½ | . | ... | Silverwoods | 165 | 5 | 5 | 5 | 5 |
| 7½ | 3½ | 40+20c▲ | 5.7 | Do. pref. | 851 | 7 | 7 | 7 | 7 |
| 9 | 7 | 60c | 8.2 | Simon & Son. | .... | (8 bid 9 asked) | | | |
| 106 | 102 | 7 | 6.7 | Do. pref. | .... | (— bid 110 asked) | | | |
| 19 | 9½ | . | ... | Simpson, A. | 20 | 18 | 15 | 15 | 15 |
| 8 | 1½ | . | ... | Do. (B) | 5 | 8 | 7 | 7 | 7 |
| 97 | 75 | 5+1 | 5.2 | Do. pref. | 80 | 96 | 97 | 95 | 97 |
| 138½ | 115 | 6 | 4.4 | Simpson, R., pf. | 5 | 136 | 136 | 136 | 136 |
| 14 | 10 | 80c | 5.7 | So. Can. Pr. | 163 | 14 | 14 | 14 | 14 |
| 112⅞ | 106 | 6 | 5.5 | Do. pref. | 18 | 108½ | 108½ | 107 | 108½ |
| 6½ | 1⅞ | . | ... | St. Law. Corp. | 2740 | 5½ | 5½ | 4⅞ | 4⅞ |
| 19⅞ | 6 | 1▲ | ... | Do. (A) | 2963 | 19½ | 19 | 18 | 18⅞ |
| 32 | 17½ | 1+50c | .5 | St. Law. Flour. | .... | (29 bid 31 asked) | | | |
| 125 | 111 | 7 | 5.6 | Do. pref. | 10 | 125 | 125 | 125 | 125 |
| 49½ | 21 | . | ... | St. Law. Pap. p. | 281 | 43 | 43 | 40 | 40 |
| 10⅞ | 3 | 50c | ... | Stand. Chem. | .... | (10 bid 11 asked) | | | |
| 1 | 1 | . | ... | Stand. Clay | .... | (1½ bid 3 asked) | | | |
| 3.50 | .70 | . | ... | St. Pav. & Mat. | 150 | 1.00 | 1.00 | .90 | .90 |
| 5½ | 2½ | . | ... | Do. pref. | 375 | 5 | 5 | 5 | 5 |
| 42 | 35 | 3 | 7.9 | Stand. Steel, pf. | 25 | 39 | 38 | 38 | 38 |
| 21½ | 16⅞ | 60+40c | 4.6 | Stedman Bros. | 25 | 20½ | 21½ | 21½ | 21½ |
| 89 | 66½ | 1.75‡ | 4.3 | Steel of Can. | 583 | 85½ | 86 | 82½ | 86½ |
| 85 | 66½ | 1.75 | 2.1 | Do. pref. | 850 | 81½ | 82½ | 81 | 82½ |
| 4 | 2 | . | ... | Sterling Coal | .... | (2⅞ bid 3½ asked) | | | |
| .20 | .15 | . | ... | Stop & Shop. | .... | (— bid 20 asked) | | | |
| 10 | 6½ | 80c | 8 | Stuart, D.A. pf. | .... | (11½ bid 14 asked) | | | |
| 4½ | 2 | . | ... | Supersilk, H. A. | 130 | 3 | 3½ | 3½ | 3½ |
| 4½ | 2½ | . | ... | Do. (B) | .... | (4 bid — asked) | | | |
| 85 | 71 | 5 | 6.1 | Do. pref. | 29 | 80 | 83 | 82 | 82 |
| 38½ | 32 | 1+25c | 3.8 | Sup. Pete. ord. | 85 | 33 | 33 | 33 | 33 |
| 37½ | 33 | 1+25c | 3.2 | Do. com. | .... | (34 bid — asked) | | | |
| | | | | **T, U, V** | | | | | |
| 13 | 10 | 80c | 6.7 | Tamblyn | 245 | 12 | 12 | 11½ | 12 |
| 54 | 42 | 2.50 | 4.8 | Do. pref. | 21 | 52½ | 52½ | 52 | 52½ |
| 4 | 2½ | . | ... | Thayers | .... | (2½ bid 3 asked) | | | |
| 35 | 30 | 3.50 | 11.3 | Do. pref. | .... | (33½ bid 38 asked) | | | |
| *.50 | .25 | . | ... | Thrift Stores | .... | (.25 bid 1.00 asked) | | | |
| 8 | 2½ | . | ... | Do. pref. | .... | (6 bid 10 asked) | | | |
| 15 | 8½ | 60c | 4.4 | Tip Top Tailors | 55 | 15 | 13½ | 12½ | 13½ |
| 110 | 95 | 7 | 6.4 | Do. pref. | 8 | 110 | 110 | 110 | 110 |
| 3½ | ½ | . | ... | Tooke Bros. | .... | (2½ bid — asked) | | | |
| 15½ | 5 | . | ... | Do. pref. | 25 | 12 | 10½ | 10½ | 10½ |
| 32 | 10 | 1 | 3.3 | Tor. Elevators | 970 | 30 | 32 | 29½ | 29½ |
| 50 | 41½ | 2.62½ | 5.4 | Do. pref. | 30 | 49 | 50 | 48½ | 48½ |
| 90 | 79 | 4 | 5 | Tor. Gen. Tr. | .... | (80 bid 85 asked) | | | |
| 113 | 94 | 6 | 6.2 | Toronto Mtge. | 8 | 95 | 96 | 96 | 96 |
| 170 | 150 | 7 | 4.5 | Tuckett Tob. p. | .... | (149 bid 155 asked) | | | |
| 3 | 2 | . | ... | Twin City | .... | (2½ bid 2⅞ asked) | | | |
| 15⅞ | 11 | 80+20c | 6.3 | Union Gas | 2388 | 15½ | 15⅞ | 15½ | 15⅞ |
| 14½ | 11 | 75c | ... | Un. Amuse. A. | .... | (11½ bid — asked) | | | |
| 14 | 10½ | 75c | 6.5 | Do. (B) | .... | (11½ bid — asked) | | | |
| 1.05 | .90 | . | ... | Un. Cigar-W. | .... | (1.00 July 31) | | | |
| .75 | .50 | . | ... | United Distill. | .... | (.50 bid — asked) | | | |
| 40 | 35 | 3 | 7.5 | United Fuel, pf. | 692 | 39⅞ | 39⅞ | 39 | 39½ |
| 6½ | 2½ | . | ... | Do. B. pref. | 480 | 6 | 6 | 5⅞ | 5⅞ |
| 6½ | 4½ | . | ... | United Secs. | 45 | 6 | 5 | 5 | 5 |
| 7⅞ | 3 | . | ... | United Steel | 3125 | 6 | 6 | 5 | 5½ |
| 3⅞ | 2 | . | ... | Viau Bisc. | 5 | 2½ | 3 | 3 | 3 |
| 55½ | 47 | 5 | 9.6 | Do. pref. | .... | (52 Oct. 13) | | | |
| | | | | **W, Y, Z** | | | | | |
| 33 | 12 | 1 | 3.6 | Wabasso Cot. | 100 | 28½ | 28 | 28 | 28 |
| 51 | 33½ | 4 | 9.2 | Walker-Good. | 866 | 43⅞ | 44 | 42½ | 43 |
| 20⅞ | 16½ | 1 | 5 | Do. pref. | 1011 | 19⅞ | 20 | 19½ | 20 |
| 1.40 | .70 | . | ... | Walkerville Br. | 125 | .95 | 1.00 | .95 | .95 |
| *125 | 123 | 7 | 5.6 | W. Koot. Pr. pf | .... | (— bid — asked) | | | |
| 7½ | 2 | . | ... | West. C. Flour. | .... | (4 bid 4½ asked) | | | |
| 50 | 15 | . | ... | Do. pref. | 30 | 30 | 34 | 33 | 33 |
| 50 | 45 | 3 | 6 | West Grocers | .... | (45 bid 54 asked) | | | |
| 114 | 103½ | 7 | 6.4 | Do. pref. | 15 | 110 | 110 | 110 | 110 |
| 11 | 10½ | 50c | 4.5 | W'minster Pap. | .... | (12 bid — asked) | | | |
| 13 | 9⅞ | 80c | 6.3 | Weston Ltd. | 370 | 12⅞ | 12⅞ | 12⅞ | 12½ |
| 96 | 55 | 5 | 5.6 | Do. pref. | .... | (90 bid 94 asked) | | | |
| 24 | 17 | 1 | 4.4 | Wilsils | 250 | 23½ | 23 | 22½ | 22½ |
| 3½ | 1 | . | ... | Winnipeg El. A | 520 | 2½ | 2½ | 2 | 2½ |
| 3½ | 1 | . | ... | Do. (B) | 775 | 2½ | 2½ | 2½ | 2½ |
| 15 | 6 | . | ... | Do. pref. | 60 | 10½ | 10½ | 10 | 10½ |
| 70 | 60 | 7 | ... | Wood, A. & J. p | .... | (65½ bid 78 asked) | | | |
| 51 | 17½ | . | ... | Woods Mfg. pf. | .... | (45 bid 50 asked) | | | |
| 8 | 4 | . | ... | York Knitting | 11 | 7½ | 7½ | 7½ | 7½ |
| 100 | 100 | 7 | 7 | Do. 1st pref. | .... | (100 Jan. 4) | | | |
| 9½ | 7 | . | ... | Zellers | .... | (9½ bid 9⅞ asked) | | | |
| 25 | 22 | 1.50 | 6.4 | Do. pref. | 65 | 23 | 23½ | 23½ | 23½ |

Quotations: *1938. °1937.
▲On account of arrears. b New York quotations.
‡ Plus extra of $2 paid Feb. 1, 1939.
† Interim.

## Mining Stocks

Week Ending November 27.

| Par Val. | Range 1939 High | Low | Company | Sales | Close Nov 20 (or last) | High for week | Low for week | Close Nov.27 |
|---|---|---|---|---|---|---|---|---|
| | | | **A** | | | | | |
| 1 | .04 | .01½ | Afton | ...... | (.01½ bid .02 asked) | | | |
| No | .65 | .24 | Aldermac | 12,700 | .39 | .39 | .35 | .36 |
| 1 | .17 | .04½ | Amm. Gold | 21,500 | .05½ | .05 | .04½ | .05 |
| No | 3.25 | 2.00 | Anglo-Huronian | 4 | 2.45 | 2.00 | 2.00 | 2.00 |
| No | .02 | .01 | Arno | ...... | (.... bid .03 asked) | | | |
| 1 | .17½ | .05½ | Arntfield | 5,900 | .10 | .11 | .08 | .11 |
| 1 | .10½ | .04½ | Ashley | 1,000 | .05½ | .06 | .06 | .06 |
| 1 | .06½ | .01 | Astoria Quebec | 450 | .02½ | .02 | .01½ | .02 |
| 1 | 2.87 | 1.65 | Aunor Gold | 13,568 | 2.28 | 2.30 | 2.17 | 2.21 |
| | | | **B** | | | | | |
| 1 | .23 | .06 | Bagamac | 5,650 | .12½ | .11 | .10½ | .10½ |
| 1 | .38 | .15 | Bankfield | 5,550 | .20 | .20 | .18 | .19 |
| No | .34 | .10 | Base Metals | 4,050 | .19 | .20 | .15 | .15 |
| 1 | .32 | .05 | Bear Exploration | 3,100 | .07½ | .06½ | .06 | .06 |
| No | 1.40 | .92 | Beattie Gold | 1,450 | 1.08 | 1.07 | 1.05 | 1.05 |
| 1 | .16½ | .07½ | Beaufor | 6,000 | .15 | .14 | .12½ | .13 |
| 1 | .30 | .09½ | Bidgood Kirk. | 16,700 | .13½ | .14½ | .13 | .13½ |
| 1 | .35 | .08 | Big Missouri | 1,100 | .12 | .12½ | .10 | .12 |
| 1 | .22 | .05½ | Bobjo | 19,800 | .08½ | .08½ | .07½ | .08 |
| 1 | .12 | .04 | Bouscadillac G.M. | ...... | (.04 bid .05 asked) | | | |
| No | 12.50 | 9.10 | Bralorne | 1,020 | 11.00 | 11.25 | 11.00 | 11.00 |
| 1 | .08 | .03 | Brazil Gold | ...... | (.04 bid .06 asked) | | | |
| 1 | .03½ | .01 | Brett Trethewey | 6,000 | .01 | .01 | .01 | .01 |
| 1 | .75 | .19 | Broulau Porc. | 75,100 | .43 | .47 | .42 | .47 |
| 1 | 15.50 | 5.75 | Buffalo Ankerite | 1,395 | 7.15 | 7.55 | 7.15 | 7.50 |
| No | .05 | .01 | Buffalo Can. | 2,000 | .03 | .03 | .03 | .03 |
| 5 | 28.00 | 17.75 | Bulolo Gold | 235 | 25.50 | 25.00 | 23.00 | 24.00 |
| No | .11½ | .02 | Bunker Hill | 500 | .02⅞ | .02⅞ | .02⅞ | .02⅞ |
| | | | **C** | | | | | |
| No | 1.03 | .48 | Can. Malartic | 4,300 | .68 | .70 | .65 | .67 |
| 1 | .03½ | .01 | Capital Rouyn | ...... | (.... bid .01½ asked) | | | |
| 1 | 2.40 | 1.70 | Cariboo Gold | 900 | 2.20 | 2.20 | 2.18 | 2.20 |
| 1 | .06 | .01½ | Cartier Malartic | ...... | (.02 bid .02½ asked) | | | |
| 1 | 1.05 | .50 | Castle Trethewey | 120 | .68½ | .62 | .60 | .62 |
| 1 | .25½ | .09 | Cen. Cadillac | 1,100 | .14½ | .14 | .11 | .11 |
| 1 | 2.75 | 1.91 | Cen. Patricia | 2,665 | 2.36 | 2.37 | 2.31 | 2.37 |
| 1 | .14½ | .05 | Cen. Porcupine | 8,600 | .08 | .08 | .07½ | .07½ |
| 1 | .03 | .02½ | Central Manitoba | 500 | ..... | .03 | .03 | .03 |
| 1 | .25 | .12 | Century Mining | 500 | .18 | .15 | .15 | .15 |
| 1 | 1.39 | .62 | Chesterville | 24,765 | .99 | .97 | .90 | .96 |
| No | .88 | .40 | Chromium | 3,875 | .60 | .62 | .57 | .61 |
| 5 | 4.50 | 1.50 | Coast Copper | 150 | 3.00 | 2.05 | 2.00 | 2.00 |
| 5 | 2.00 | 1.25 | Coniagas | 395 | 1.65 | 1.60 | 1.50 | 1.50 |
| No | 2.34 | 1.10 | Coniaurum | 25,800 | 1.63 | 1.87 | 1.62 | 1.74 |
| 1 | .30 | .10 | Con. Chibougamau | 700 | .12 | .13 | .13 | .13 |
| 5 | 61.25 | 37.50 | Cons. Smelters | 1,230 | 49.00 | 49.50 | 46.50 | 47.50 |
| | | | **D, E** | | | | | |
| 1 | .17 | .05 | Denison Nickel | 1,000 | .09 | .08½ | .08½ | .08½ |
| No | 34.25 | 23.00 | Dome Mines | 1,607 | 29.25 | 29.50 | 29.00 | 29.00 |
| 1 | .06 | .02 | Dom. Explorers | ...... | (.01½ bid .02⅞ asked) | | | |
| 1 | .09½ | .03 | Dorval Siscoe | 1,000 | .05 | .03⅞ | .03⅞ | .03⅞ |
| 1 | .08 | .01½ | Duparquet | 5,000 | .01½ | .02 | .01½ | .01½ |
| 1 | .27 | .05 | Duquesne | 1,500 | .10 | .10 | .09½ | .10 |
| 1 | 3.25 | 2.00 | East Malartic | 47,245 | 3.05 | 3.25 | 2.99 | 3.25 |
| 1 | 2.36 | .74 | Eldorado | 6,300 | 1.01 | 1.02 | .95 | .95 |
| | | | **F, G** | | | | | |
| No | 6.75 | 4.50 | Falconbridge | 3,148 | 4.70 | 4.65 | 4.50 | 4.50 |
| 1 | .08½ | .02 | Federal | 3,300 | .04½ | .03½ | .03½ | .03½ |
| 1 | .17 | .02½ | Fernland | 2,000 | .03 | .03 | .03 | .03 |
| No | .77 | .15 | Francoeur Gold | 12,000 | .45 | .45 | .41 | .41½ |
| 1 | .11½ | .04 | Gillies Lake | 2,600 | .06 | .06½ | .06 | .06½ |
| 1 | .05 | .01½ | Glenora | 9,200 | .02 | .02½ | .02½ | .02½ |
| No | .62 | .20 | God's Lake | 12,600 | .61½ | .60 | .58 | .58½ |
| 1 | .28 | .15 | Goldale | 3,200 | .19 | .20½ | .19½ | .20 |
| 50c. | .63 | .19 | Gold Belt | ...... | (.23 bid .30 asked) | | | |
| 1 | .28 | .04½ | Gold Eagle | 89,270 | .18 | .28 | .18 | .23½ |
| 1 | .25½ | .22 | Golden Gate | 13,200 | .23½ | .24 | .23 | .23 |
| 1 | .03½ | .01 | Goodfish | 1,000 | .01½ | .01½ | .01½ | .01½ |
| 1 | .04 | .01½ | Graham Bosquet | ...... | (.02 bid .02½ asked) | | | |
| No | .07 | .04½ | Grandora | 2,900 | .05½ | .06 | .06 | .06 |
| 1 | .02½ | .01½ | Grull Wihksne | ...... | (.01 bid .04 asked) | | | |
| 1 | .64 | .35 | Gunnar Gold | 6,700 | .50 | .50 | .48 | .49½ |
| | | | **H, I, J** | | | | | |
| 1 | .04 | .00⅞ | Halcrow Swayze | 34,100 | .02½ | .04 | .02½ | .03½ |
| 1 | .08 | .01½ | Halliwell Gold | 1,000 | .02⅞ | .02½ | .02½ | .02½ |
| 1 | 1.95 | .70 | Hard Rock | 15,265 | 1.35 | 1.35 | 1.25 | 1.29 |
| 1 | .10 | .04 | Harker | 4,100 | .05½ | .06 | .05½ | .06 |
| 1 | 1.58 | .28 | Hedley Mascot | ...... | (.40 bid .50 asked) | | | |
| 5 | 15.50 | 12.00 | Hollinger | 2,605 | 14.75 | 15.00 | 14.50 | 14.50 |
| 1 | .37 | .22 | Howey Gold | 9,225 | .33 | .34 | .32 | .32 |
| No | 40.00 | 25.50 | Hudson Bay | 1,728 | 33.25 | 33.75 | 31.25 | 31.50 |
| 1 | .45 | .15 | Inspiration | 9,900 | .30 | .35 | .30 | .33 |
| 1 | 9.87 | 7.00 | Inter. Mining | ...... | (9.87 Sept. 5) | | | |
| No | 60.12 | 42.75 | Int. Nickel | 2,216 | 48.00 | 48.00 | 46.75 | 47.37 |
| 50c. | 1.26 | .70 | Island Mountain | ...... | (.90 bid 1.05 asked) | | | |
| 1 | .11½ | .02 | Jacola | 4,600 | .04 | .04 | .04 | .04 |
| 1 | .50 | .16½ | Jack Waite | ...... | (.27 bid .40 asked) | | | |
| 1 | .22 | .05 | Jellicoe | 2,440 | .08½ | .10½ | .09½ | .09½ |
| 1 | .11 | .02 | J. M. Cons. Gold | ...... | (.03 bid .03⅞ asked) | | | |
| 1 | .06½ | .02 | Joliet Quebec | ...... | (.02½ bid .03 asked) | | | |
| | | | **K, L** | | | | | |
| 1 | 2.16 | 1.47 | Kerr Addison | 41,536 | 1.99 | 2.16 | 1.98 | 2.16 |
| 1 | .65 | .30 | Kerr Lake | ...... | (.35 bid 1.00 asked) | | | |
| 1 | .10 | .01½ | Kirk. Gold Rand. | ...... | (.03 bid .... asked) | | | |
| 1 | .73 | .16 | Kirk. Hud. Bay | ...... | (.20 bid .25 asked) | | | |
| 1 | 1.75 | 1.00 | Kirkland Lake | 9,335 | 1.36 | 1.38 | 1.34 | 1.35 |
| 1 | .21 | .06 | Kirk. Townsite | 26,300 | .11 | .21 | .12 | .20 |
| 1 | 50.50 | 28.50 | Lake Shore | 4,207 | 29.87 | 29.87 | 28.50 | 29.25 |
| 1 | 7.30 | 5.50 | Lamaque Gold | 3,331 | 6.85 | 6.95 | 6.75 | 6.95 |
| 1 | .54 | .10 | Lapa Cadillac | 10,400 | .13½ | .15 | .12½ | .14 |
| 1 | .85 | .59 | Lava Cap | 500 | .85 | .85 | .85 | .85 |
| 1 | .08½ | .01 | Lebel Oro | 8,000 | .02 | .02 | .01½ | .02 |
| 1 | .90 | .58 | Leitch Gold | 7,200 | .79 | .78 | .76½ | .77 |
| No | 3.60 | 2.30 | Little Long Lac | 647 | 3.20 | 3.15 | 2.90 | 2.90 |
| | | | **M** | | | | | |
| 1 | 5.90 | 3.50 | Macassa | 7,544 | 4.35 | 4.40 | 4.30 | 4.30 |
| 1 | 3.20 | 1.30 | MacLeod Cockshutt | 14,678 | 2.35 | 2.33 | 2.25 | 2.30 |
| 1 | .55 | .22 | Madsen Red Lake | 12,450 | .45 | .46 | .43 | .46 |
| 1 | .90 | .35 | Malartic Gold | 73,550 | .82 | .90 | .79½ | .88 |
| No | .23 | .08 | Mandy | 500 | .12 | .12 | .12 | .12 |
| No | .02½ | .00⅞ | Man. & Eastern | 1,000 | .01 | .01 | .01 | .01 |
| 1 | .07 | .01 | Maralgo | 1,200 | .03 | .03½ | .02 | .02 |
| 5 | 59.63 | 45.00 | McIntyre | 325 | 54.50 | 56.00 | 54.00 | 56.00 |
| 1 | 1.38 | 1.00 | McKenzie R.L. | 22,035 | 1.31 | 1.37 | 1.29 | 1.35 |
| 1 | .20½ | .06 | McVittie Graham | 4,000 | .10 | .09 | .09 | .09 |
| No | .75 | .30 | McWatters | 10,175 | .55 | .55 | .51 | .54 |
| 5 | .35 | .30 | Mentor Exploration | ...... | (.31 May 17) | | | |
| No | 2.05 | 1.00 | Mining Corp. | 4,600 | 1.21 | 1.34 | 1.22 | 1.34 |
| 1 | 1.45 | .65 | Moneta | 7,110 | .90 | .90 | .88 | .88 |
| 1 | .20 | .04 | Morris Kirk. | 82,100 | .05½ | .06½ | .05½ | .06½ |
| 1 | .02½ | .01 | Murphy | ...... | (.01 bid .01½ asked) | | | |
| | | | **N, O** | | | | | |
| 1 | .51½ | .08½ | Naybob | 143,500 | .17 | .20½ | .15½ | .18 |
| No | .09 | .02 | Newbec | 10,500 | .03½ | .03⅞ | .03½ | .03⅞ |
| 1 | .25 | .05 | New Golden Rose | ...... | (.08 bid .14 asked) | | | |
| 5 | 1.80 | 1.00 | Nipissing | 400 | 1.35 | 1.22 | 1.20 | 1.21 |
| No | 84.00 | 69.00 | Noranda | 2,781 | 76.50 | 76.50 | 75.25 | 75.50 |
| No | .60 | .40 | Nor. Canada | 340 | .51 | .48 | .45 | .48 |
| 1 | .06½ | .02 | Norgold | 5,500 | .03 | .04 | .04 | .04 |
| 1 | .95 | .30 | Normetals | 13,570 | .65 | .70 | .65 | .70 |
| 1 | 9.50 | 7.50 | Northern Empire | ...... | (9.00 bid 9.75 asked) | | | |
| 1 | 3.25 | 1.20 | O'Brien | 12,805 | 1.51 | 1.70 | 1.50 | 1.60 |
| 1 | .53 | .20 | Omega | 5,000 | .21 | .22 | .21 | .21 |
| 1 | .52½ | .15 | Oro Plata | 3,600 | .30 | .30 | .27 | .29 |
| 1 | .14 | .07 | Osisko | ...... | (.07½ bid .... asked) | | | |
| | | | **P, Q, R** | | | | | |
| No | 4.85 | 1.65 | Pamour | 4,465 | 1.99 | 2.01 | 1.96 | 1.99 |
| 1 | .16 | .02½ | Pandora | 1,900 | .04 | .04½ | .04 | .04 |
| 1 | 2.55 | 2.00 | Pato Cons. G. | 1,000 | 2.35 | 2.35 | 2.30 | 2.30 |
| 1 | .07½ | .02 | Partanen Mal. | ...... | (.02½ bid .03 asked) | | | |
| 1 | .02 | .00½ | Pawnee Kirk. | ...... | (.00½ bid .01½ asked) | | | |
| 1 | .61 | .28 | Paymaster | 17,400 | .35 | .35 | .34½ | .34½ |
| 1 | 3.95 | 1.01 | Pend Oreille | 5,270 | 2.50 | 2.48 | 2.35 | 2.35 |
| 1 | 2.05 | 1.40 | Perron Gold | 21,340 | 1.95 | 2.05 | 1.93 | 1.99 |
| 1 | 5.60 | 3.50 | Pickle Crow | 3,080 | 4.30 | 4.35 | 4.25 | 4.25 |
| 1 | 2.70 | 2.00 | Pioneer Gold B.C. | 2,095 | 2.25 | 2.35 | 2.25 | 2.28 |
| 100 | 14.50 | 10.00 | Placer Devel. | 50 | 12.00 | 12.75 | 12.75 | 12.75 |
| 1 | 2.45 | 1.18 | Powell Rouyn | 1,000 | 1.93 | 1.95 | 1.85 | 1.90 |
| 1 | 2.40 | 1.10 | Premier Gold | 800 | 1.45 | 1.48 | 1.45 | 1.45 |
| 1 | 2.24 | 1.10 | Preston E. Dome | 54,045 | 2.12 | 2.24 | 2.10 | 2.23 |
| No | .58 | .40 | Prospectors Air's. | ...... | (.... bid .50 asked) | | | |
| 1 | .65 | .24 | Quebec Gold | ...... | (.28 bid .36 asked) | | | |
| No | .17 | .04 | Quemont | ...... | (.07 bid .12 asked) | | | |
| No | .09 | .02 | Red Crest | ...... | (.03 bid .04½ asked) | | | |
| 1 | .56 | .30 | Reno Gold | 4,610 | .52 | .53 | .50 | .50 |
| 1 | .59 | .20 | Reeves McDonald | ...... | (.20 bid .40 asked) | | | |
| 1 | .01½ | .00½ | Robb Montbray | 2,000 | .00½ | .00½ | .00½ | .00½ |
| 1 | .11½ | .03½ | Roche Long Lac | 4,800 | .05 | .05½ | .04½ | .04½ |
| | | | **S, T, U, V, W, Y** | | | | | |
| 1 | 2.03 | 1.18 | San Antonio | 9,497 | 1.89 | 1.94 | 1.86 | 1.90 |
| 1 | .17 | .05 | Sand River | 7,750 | .08 | .09½ | .07½ | .09 |
| 1 | .51 | .17 | Senator Rouyn | 83,075 | .41 | .42½ | .38½ | .38½ |
| 1 | .04½ | .02 | Shawkey | 1,500 | .02 | .02½ | .02½ | .02½ |
| 50c. | 1.25 | .90 | Sheep Creek | 5,130 | 1.17 | 1.22 | 1.16 | 1.17 |
| 1 | 2.00 | .75 | Sherritt Gordon | 18,237 | 1.19 | 1.22 | 1.10 | 1.15 |
| 1 | 9.25 | 5.20 | Sigma Mines | 1,321 | 8.20 | 8.50 | 8.00 | 8.00 |
| 1 | 1.05 | .76 | Siscoe | 22,545 | .80½ | .85 | .76 | .76 |
| 1 | .80 | .21 | Sladen Malartic | 10,400 | .43 | .44 | .40 | .42 |
| 1 | .13½ | .02½ | Slave Lake | 37,000 | .09½ | .10½ | .08½ | .09½ |
| No | 1.08 | .18 | Stadacona | 667,643 | .31 | .30½ | .18 | .19 |
| 1 | .15½ | .06½ | St. Anthony | 4,000 | .11½ | .12 | .11½ | .11½ |
| No | 1.93 | 1.50 | Steep Rock Iron | 7,550 | 1.73 | 1.75 | 1.70 | 1.70 |
| No | .11 | .02½ | Straw Lake | 19,000 | .04½ | .05 | .04½ | .05 |
| 1 | .24½ | .09 | Sturgeon River | 1,100 | .11½ | .11 | .11 | .11 |
| No | 3.00 | 1.70 | Sudbury Basin | 1,665 | 2.10 | 2.15 | 2.02 | 2.02 |
| 1 | .14½ | .04 | Sudbury Contact | 500 | .04½ | .05 | .05 | .05 |
| 1 | 1.01 | .58 | Sullivan Cons. | 4,500 | .80 | .80 | .75 | .75 |
| 1 | 3.55 | 2.70 | Sylvanite | 1,175 | 3.05 | 3.15 | 3.10 | 3.15 |
| 1 | 4.70 | 3.75 | Teck Hughes | 4,943 | 4.10 | 4.15 | 4.00 | 4.00 |
| 1 | .14½ | .04½ | Temiskaming | 2,000 | .07 | .07½ | .07 | .07½ |
| 1 | 2.30 | 1.25 | Toburn Gold | 600 | 1.80 | 1.80 | 1.80 | 1.80 |
| 1 | .44 | .19 | Towagmac | 1,500 | .27 | .27 | .25 | .25 |
| 1 | 1.65 | .65 | Uchi Gold | 9,000 | .84 | .80 | .77 | .83 |
| ... | 97.75 | 86.00 | Do., Bonds | 6,000 | 94.00 | 96.00 | 96.00 | 96.00 |
| 1 | .71 | .52 | Upper Canada | 9,840 | .68 | .68 | .66 | .68 |
| No | 5.80 | 3.75 | Ventures | 2,445 | 4.70 | 4.90 | 4.00 | 4.45 |
| No | 8.25 | 5.00 | Waite Amulet | 2,250 | 6.00 | 5.90 | 5.80 | 5.90 |
| 1 | .15 | .06½ | Wendigo | 2,000 | .08 | .08 | .07 | .08 |
| No | .01½ | .00½ | White Eagle | ...... | (.00½ bid .00½ asked) | | | |
| 1 | .08½ | .01½ | Whitewater Mines | ...... | (.04 bid .04½ asked) | | | |
| 1 | .08½ | .02 | Wiltsey Coughlan | ...... | (.02½ bid .03 asked) | | | |
| 1 | .19 | .08 | Wood Cadillac | 11,500 | .14 | .14½ | .12½ | .13½ |
| No | 8.90 | 6.70 | Wright-Hargreaves | 7,265 | 8.20 | 8.30 | 8.00 | 8.05 |
| No | .09 | .03 | Ymir Girl | 500 | .05 | .05 | .05 | .05 |

## Oil Stocks

| Par Val. | Range 1939 High | Low | Company | Sales | Close Nov 20 (or last) | High for week | Low for week | Close Nov.27 |
|---|---|---|---|---|---|---|---|---|
| No | .10 | .04 | Acme Gas & Oil | 500 | .05½ | .05½ | .05½ | .05½ |
| 1 | .30 | .10 | Alta. Pac. Cons. | ...... | (.17 bid .20 asked) | | | |
| 1 | .30 | .15 | Ajax | ...... | (.16 bid ... asked) | | | |
| No | 1.52 | .60 | Anglo Canadian | 17,725 | .93 | 1.00 | .88 | 1.00 |
| No | .15½ | .07½ | Anaconda | ...... | (.05 bid ... asked) | | | |
| No | .21½ | .06 | Br. Dominion | 500 | .15 | .14½ | .14½ | .14½ |
| No | .33 | .13 | Brown Oil | 4,100 | .19½ | .19½ | .18 | .18½ |
| 100 | 65.00 | 48.00 | Do., pref. | 2 | 63.00 | 55.00 | 55.00 | 55.00 |
| No | 2.80 | 1.11 | Calgary & Ed. | 2,000 | 2.14 | 2.20 | 2.10 | 2.15 |
| 1 | .65 | .20 | Calmont | 1,350 | .35½ | .38 | .35 | .38 |
| No | .55 | .24 | Commoil | 1,000 | .32 | .31 | .30½ | .30½ |
| No | .36 | .21 | Common Pete | 1,000 | .24 | .24 | .24 | .24 |
| No | .75 | .25 | Dalhousie | 1,700 | .44 | .45 | .42 | .45 |
| No | .60 | .18 | Davies Pete | 4,000 | .26 | .27 | .25½ | .26 |
| No | .13 | .04½ | East Crest | 5,050 | .06 | .05½ | .05 | .05½ |
| No | .27 | .19½ | Extension Oil | 3,200 | .22 | .22 | .19½ | .20½ |
| 25c | .13 | .07 | Firestone Pete | 1,500 | .08½ | .08 | .08 | .08 |
| No | 1.45 | .40 | Foothills | 2,700 | .60 | .70 | .60 | .70 |
| 25c | .14½ | .06½ | Foundation Pete. | 1,750 | .14 | .11 | .10 | .11 |
| 50c | .08 | .06½ | Grease Creek Pete | ...... | (.07 bid .08 asked) | | | |
| No | .20 | .10 | Hargal | ...... | (.18½ bid ... asked) | | | |
| No | .35 | .08 | High Sarcee | 500 | .19 | .18 | .18 | .18 |
| No | 3.75 | 1.23 | Home | 11,645 | 2.37 | 2.50 | 2.32 | 2.45 |
| 1 | .26½ | .05 | Homestead O.&G. | 49,200 | .07½ | .07 | .05½ | .06 |
| No | .23 | .08 | McD. Segur | ...... | (.13 bid ... asked) | | | |
| No | .07 | .01½ | Merland | 5,000 | .03 | .03 | .01½ | .01½ |
| 1 | .48 | .20 | Model | 200 | .26 | .25 | .25 | .25 |
| 25c | .12½ | .06 | Monarch Royalties | 300 | .08½ | .08 | .08 | .08 |
| 1 | .13 | .04 | Nordon | ...... | (.04 bid .07 asked) | | | |
| No | .03½ | .01½ | Oil Selections | ...... | (.01½ bid .02½ asked) | | | |
| No | 1.73 | .67 | Okalta | 2,300 | 1.11 | 1.15 | 1.05 | 1.10 |
| 1 | .12 | .03 | Pacalta | 3,100 | .05 | .05 | .04½ | .04½ |
| 1 | .44 | .32 | Pacific Pete | 700 | .32 | .32 | .32 | .32 |
| 1 | .30 | .25 | Petrol Oil & Gas | ...... | (.25 bid .50 asked) | | | |
| 25c | .25 | .17 | Prairie Royalties | 1,000 | .22½ | .20 | .19 | .19 |
| No | 45.63 | 26.00 | Royalite | 620 | 33.00 | 34.00 | 32.75 | 33.00 |
| No | .75 | .25 | South West Pete. | 200 | .40 | .40 | .40 | .40 |
| No | .11½ | .04 | South End | ...... | (.06 bid .06½ asked) | | | |
| No | 1.30 | .60 | Texas Can | 2,050 | .79 | .79 | .70 | .76 |
| No | .15½ | .07 | United Oils | 1,000 | .10½ | .08 | .08 | .08 |
| No | 1.00 | .35 | Vulcan | 1,100 | .40 | .52 | .50 | .50 |
| No | .08½ | .03½ | West Flank | 1,000 | .04 | .03½ | .03½ | .03½ |

## Vancouver Stocks

| Par Val. | Range 1939 High | Low | Company | Sales | Close Nov 20 (or last) | High for week | Low for week | Close Nov.27 |
|---|---|---|---|---|---|---|---|---|
| 1 | .30 | .10 | Big Missouri | ...... | (.12 bid .14 asked) | | | |
| 25c | .01½ | .00½ | Bluebird | ...... | (.00½ bid ... asked) | | | |
| No | 12.50 | 9.00 | Bralorne | 820 | 11.25 | 11.25 | 11.00 | 11.20 |
| 1 | .03½ | .02 | Bridge River Cons. | ...... | (.01½ bid .03 asked) | | | |
| 1 | 2.40 | 1.70 | Cariboo Gold | 1,085 | 2.20 | 2.22 | 2.16 | 2.22 |
| No | .06½ | .01½ | Dentonia | ...... | (.01½ bid .02 asked) | | | |
| No | .07 | .01½ | Fairview Amal. | 43,100 | .02½ | .02½ | .02 | .02 |
| 1 | .01½ | .00½ | Federal Gold | ...... | (.00½ bid .01 asked) | | | |
| 1 | .40 | .20 | George Copper | 100 | .25 | .20 | .20 | .20 |
| 1 | .10 | .03 | Golconda | ...... | (.04½ bid .07 asked) | | | |
| 50c | .62 | .15 | Gold Belt | 1,100 | .22 | .25 | .24 | .24 |
| 50c | .19 | .03½ | Grandview | 1,300 | .12 | .11½ | .11 | .11½ |
| 1 | .03½ | .01 | Grull Wihksne | 6,000 | .02 | .02 | .02 | .02 |
| 1 | 1.54 | .26 | Hedley Mascot | 4,500 | .42 | .44 | .40 | .40 |
| No | .01 | .00½ | Home Gold | 2,000 | .00½ | .00½ | .00½ | .00½ |
| 1 | .01½ | .00½ | Indian Mines | ...... | (.01 bid ... asked) | | | |
| 50c | 1.40 | .75 | Island Mountain | 500 | .95 | 1.00 | 1.00 | 1.00 |
| 1 | .34 | .27 | Inter'tl Coal | ...... | (... bid .30 asked) | | | |
| 50c | 1.55 | .60 | Kootenay Belle | 500 | .65 | .68 | .68 | .68 |
| 10c | .05 | .01 | Lucky Jim | 7,500 | .03 | .03 | .02½ | .02½ |
| No | .02 | .00½ | Mak Siccar | ...... | (.00½ bid .01 asked) | | | |
| 10c | .70 | .28 | Metaline Mining | ...... | (.50 bid ... asked) | | | |
| 1 | .23 | .21 | McGillivray Creek | ...... | (... bid .23 asked) | | | |
| No | .03 | .01 | Minto Mines | 2,000 | .01½ | .01½ | .01½ | .01½ |
| 50c | .04½ | .02 | Nicola | 2,300 | .02½ | .02½ | .02½ | .02½ |
| 50c | .05 | .01 | Noble Five | 5,000 | .02½ | .02½ | .02 | .02 |
| 1 | .22 | .10 | Pacific Nickel | 1,775 | .13 | .13 | .13 | .13 |
| 1 | 4.00 | 1.20 | Pend Oreille | 450 | 2.53 | 2.46 | 2.38 | 2.38 |
| No | .00½ | .00½ | Pilot Gold | ...... | (.00½ bid ... asked) | | | |
| 1 | 2.70 | 2.10 | Pioneer Gold | 1,275 | 2.25 | 2.30 | 2.25 | 2.30 |
| 50c | .04 | .00½ | Porter Idaho | ...... | (.02 bid .03 asked) | | | |
| No | .01½ | .00½ | Premier Border | 5,000 | .00½ | .00½ | .00½ | .00½ |
| 1 | 2.40 | 1.12 | Premier Gold | 6,000 | 1.48 | 1.48 | 1.45 | 1.45 |
| No | 1.45 | .80 | Privateer Mines | 1,800 | .93 | .95 | .92 | .95 |
| 1 | .04½ | .02 | Quatsino Copper | 2,000 | .03 | .03 | .03 | .03 |
| 50c | .01½ | .01½ | Red Hawk | ...... | (.01½ Feb.11) | | | |
| 1 | .15½ | .09 | Relief Arlington | 4,000 | .12 | .12 | .10½ | .11 |
| No | .60 | .18 | Reeves McDonald | ...... | (... bid .40 asked) | | | |
| 1 | .58 | .22 | Reno Gold | 6,940 | .55 | .54 | .53 | .54 |
| 1 | .02 | .00½ | Rufus Argenta | ...... | (.00½ bid .01 asked) | | | |
| 1 | .09 | .02 | Sally Mines | 2,000 | .05 | .04 | .04 | .04 |
| 50c | .12 | .04 | Salmon Gold | ...... | (.03 bid .04 asked) | | | |
| 50c | 1.25 | .91 | Sheep Creek | 1,750 | 1.21 | 1.21 | 1.18 | 1.18 |
| 1 | 1.85 | .95 | Silbak Premier | 7 | 1.10 | 1.00 | 1.00 | 1.00 |
| No | .02 | .00½ | Silvercrest | ...... | (.00½ bid .01 asked) | | | |
| 1 | .15 | .08 | Sunloch | ...... | (.10 bid ... asked) | | | |
| 50c | .27 | .13 | Surf Inlet | ...... | (.15 Oct. 5) | | | |
| No | .06½ | .02½ | Taylor Bridge | ...... | (.03 bid .04 asked) | | | |
| No | .06½ | .02½ | Vidette Gold | 3,000 | .04 | .04½ | .04½ | .04½ |
| 50c | .02½ | .00½ | Waverley Tangier | 40,000 | .00½ | .00½ | .00½ | .00½ |
| 20c | .03½ | .00½ | Wellington | ...... | (.01 bid ... asked) | | | |
| 50c | .01½ | .00½ | Wesko | ...... | (.00½ bid .00½ asked) | | | |
| 1 | .09 | .01½ | Whitewater | 4,500 | .04½ | .05 | .04½ | .05 |
| No | .08 | .03½ | Ymir Yankee Girl | ...... | (.04½ bid .05½ asked) | | | |

## Oil Quotations

| Par Val. | Range 1939 High | Low | Company | Sales | Close Nov 20 (or last) | High for week | Low for week | Close Nov.27 |
|---|---|---|---|---|---|---|---|---|
| 1 | .30 | .11 | Alta. Pac. Cons. | 200 | .18 | .19 | .19 | .19 |
| 1 | .01 | .00½ | Amalgamated | ...... | (.00½ bid .00½ asked) | | | |
| No | 1.52 | .60 | Anglo Canadian | 2,900 | .95 | .95 | .90 | .95 |
| No | .16 | .05 | Anaconda | 7,700 | .06 | .06½ | .05½ | .05½ |
| No | .08 | .04 | Associated Oil | ...... | (.04 Oct. 19) | | | |
| No | .04 | .01 | Baltac | ...... | (.02 bid ... asked) | | | |
| No | .33 | .14 | Brown Oil | 3,000 | .20 | .19½ | .18½ | .19½ |
| No | .19½ | .06 | Brit. Dominion | ...... | (... bid .15 asked) | | | |
| No | 2.75 | 1.15 | Calgary & Ed. | 890 | 2.12 | 2.18 | 2.06 | 2.17 |
| 1 | .64 | .21 | Calmont | 3,300 | .32½ | .37 | .35 | .37 |
| No | .58 | .26 | Commoil | 500 | .34½ | .33 | .33 | .33 |
| 1 | .36 | .21½ | Commonwealth | 1,650 | .24½ | .24½ | .23 | .23 |
| No | .68 | .33 | Dalhousie | 300 | .43 | .42 | .41 | .42 |
| No | .59 | .24 | Davies Pete | 400 | .32 | .28 | .28 | .28 |
| No | .12 | .04½ | East Crest | ...... | (.04 bid ... asked) | | | |
| No | .26½ | .18 | Extension | 8,500 | .22 | .21 | .20 | .21 |
| 25c | .13 | .07 | Firestone | ...... | (.08 bid ... asked) | | | |
| No | 1.40 | .55 | Foothills | ...... | (.65 bid ... asked) | | | |
| No | .17½ | .02 | Freehold | 2,200 | .02½ | .02½ | .02½ | .02½ |
| 25c | .13 | .09 | Foundation Pete. | 100 | .11 | .09 | .09 | .09 |
| No | .15½ | .08½ | Four Star | 2,000 | .12 | .11½ | .10½ | .11½ |
| No | .21 | .08½ | Hargal | 550 | .18 | .18 | .18 | .18 |
| No | .35 | .15 | High Sarcee | ...... | (.18½ bid ... asked) | | | |
| No | 3.75 | 1.22 | Home Oil | 3,890 | 2.40 | 2.48 | 2.35 | 2.45 |
| No | .07½ | .02 | Madison | 1,700 | .04 | .03 | .03 | .03 |
| No | .09 | .02½ | Marjon Oil | 9,000 | .03½ | .03½ | .03½ | .03½ |
| No | .22½ | .09 | McD. Segur Ex. | 3,200 | .14 | .13½ | .13½ | .13½ |
| 1 | .22 | .09 | McLeod | ...... | (.12 Oct. 2) | | | |
| No | .13 | .05½ | Mercury | 500 | .06½ | .06½ | .06½ | .06½ |
| No | .07½ | .03½ | Mill City Pete | ...... | (.05½ Oct. 13) | | | |
| No | .10 | .04½ | Midwest Pete | ...... | (.10 Sept. 26) | | | |
| 1 | .49 | .20 | Model | 200 | .25 | .24 | .24 | .24 |
| 25c | .11 | .06 | Monarch Royal. | 50 | .08 | .07 | .07 | .07 |
| 25c | .16½ | .08 | National Pete | ...... | (.11½ bid ... asked) | | | |
| 1 | .12 | .05 | Nordon | ...... | (.06 Sept. 29) | | | |
| No | 1.70 | .66 | Okalta | 800 | 1.10 | 1.12 | 1.07 | 1.12 |
| No | .12 | .03 | Pacalta Oil | 1,000 | .05 | .04½ | .04½ | .04½ |
| 1 | .52 | .32 | Pacific Pete | 1,700 | .32 | .32 | .32 | .32 |
| 25c | .24½ | .17 | Prairie Royal | 3,000 | .22 | .20 | .20 | .20 |
| No | .13½ | .09 | Royal Crest | 1,000 | .10 | .10 | .10 | .10 |
| No | 45.00 | 29.00 | Royalite | 10 | 34.50 | 33.50 | 33.50 | 33.50 |
| No | .23½ | .17 | Royal Canadian | 44,400 | .20½ | .20 | .17 | .18½ |
| No | .11½ | .02 | South End | 4,000 | .05 | .05½ | .05½ | .05½ |
| No | .75 | .25 | Southwest Pete | 600 | .40 | .40 | .38 | .38 |
| 1 | .12 | .04 | Spooner | ...... | (.11 Sept. 26) | | | |
| 25c | .41 | .30 | Sunset Oil | 1,300 | .37½ | .37 | .37 | .37 |
| No | .16½ | .06½ | United | 1,300 | .08 | .08 | .07 | .08 |
| No | .13 | .04½ | Vanalta | 1,000 | .06 | .06 | .06 | .06 |
| 1 | .90 | .35 | Vulcan | 200 | .50 | .54 | .54 | .54 |
| No | .07½ | .05 | West Flank | ...... | (.05 Aug. 12) | | | |

## Winnipeg Stocks

(Transactions from Nov. 20 to Nov. 25)

| | Sales | High for period | Low for period | Close Nov. 25 |
|---|---|---|---|---|
| Beresford Lake | 4,000 | .23 | .18 | .20 |
| Central Manitoba | 11,500 | .04⅜ | .04 | .04½ |
| Dominion Envelope | 3,270 | 5.75 | 4.50 | 5.75 |
| Do., pref. | 20 | 85.00 | 85.00 | 85.00 |
| Flin Flon | 5,500 | .02¼ | .01½ | .01½ |
| Federal Grain, pref. | 70 | 43.25 | 42.75 | 43.25 |
| Great Lakes M. & S. | 500 | .03 | .03 | .03 |
| Gurney Gold | 6,000 | .01¼ | .01 | .01¼ |
| Home Investment | 7 | 11.00 | 11.00 | 11.00 |
| Knee Lake | 11,000 | .01 | .01 | .01 |
| Northern Mortgage | 50 | 1.50 | 1.50 | 1.50 |
| Ore Grande | 3,000 | .04¼ | .03½ | .04¼ |
| Rand Malartic | 500 | .10 | .10 | .10 |
| Sachigo River | 80 | 6.75 | 6.50 | 6.50 |
| Shenango | 1,500 | .05¾ | .05½ | .05¾ |
| Star Lake | 1,000 | .00½ | .00½ | .00½ |
| Traders Bldg. | 25 | 60.00 | 60.00 | 60.00 |
| United Grain | 65 | 8.00 | 8.00 | 8.00 |
| Western Grain, pfd. | 25 | 8.00 | 8.00 | 8.00 |
| West. Steel | 55 | 8.75 | 8.50 | 8.50 |
| Wings | 600 | .25 | .25 | .25 |
| Wingold | 4,300 | .05¼ | .05 | .05 |

### Stocks Not Traded in During Week*

| | Bid | Asked | | Bid | Asked |
|---|---|---|---|---|---|
| Beaver Fire | 75 | .. | Nor. Can. Mtg. p. | 2.50 | .. |
| Beav. Lumber, c. | 2⅝ | .. | North. Trusts | 6 | .. |
| Do., pfd. | 97 | 100 | Reliance Gr., pf. | 60 | .. |
| Can. Indemnity | 125 | .. | West. Brew. | 1.50 | 1.55 |
| Cres. Cream., pf. | 10 | .. | | | |

*Stocks more active on other exchanges not included.

## Volume of Stock Sales

| | Montreal Markets Indust. | Mines | Toronto Markets Ind. & Mines | Vancouver Markets Ind. & Mines |
|---|---|---|---|---|
| Nov. 28 | 22,500 | 39,600 | 359,000 | 33,490 |
| Nov. 27 | 15,100 | 27,000 | 270,000 | 42,965 |
| Nov. 25 | 12,000 | 6,500 | 221,000 | 31,800 |
| Nov. 24 | 27,200 | 43,500 | 360,000 | 14,650 |
| Nov. 23 | 25,300 | 22,600 | 318,000 | 43,305 |
| Nov. 22 | 37,000 | 98,400 | 420,000 | [illegible] |

## Government Bonds

(Supplied by Investment Dealers' Assoc. of Canada)

Nov. 29, 1939

**Dominion of Canada Bonds**

| % | Due | Bid | Ask | Approx. Yld. |
|---|---|---|---|---|
| 1½ | June '40 | 99⅞ | 100⅛ | .56 |
| 4½ | Sept. '40 | 102⅞ | 102⅞ | 1.00 |
| 1 | Mar. '41 | 99⅞ | 99⅞ | 1.10 |
| 5 | Nov. '41 | 105½ | 106½ | 1.78 |
| 1½ | May '42 | 99 | 99½ | 1.70 |
| 2 | June '42 | 100½ | 101 | 1.60 |
| 3 | Oct. '42 | 102⅞ | 103½ | 1.80 |
| 2½ | June '43 | 101⅞ | 101⅞ | 1.95 |
| 5 | Oct. '43 | 109 | 109½ | 2.44 |
| 2 | June '44 | 99 | 99½ | 2.12 |
| a2½ | Jan. '44 | 94½ | 95½‡ | 3.42 |
| 4½ | Oct. '44 | 108½ | 109½ | 2.49 |
| 2½ | Nov. '44 | 100½ | 101½ | 2.24 |
| a2½ | Aug. '45 | 94½ | 95½‡ | 3.37 |
| 4 | Oct. '45 | 104½ | 105½ | b2.59 |
| 4½ | Feb. '46 | 109 | 109⅞ | 2.79 |
| 3½ | June '49 | 99⅞ | 100½ | b3.16 |
| 3½ | Oct. '49 | 100½ | 101 | b3.27 |
| 3½ | Nov. '51 | 99 | 99⅞ | 3.27 |
| a5 | May '52 | 103½ | 104½ | b3.15 |
| 4 | Oct. '52 | 103⅞ | 104½ | b3.35 |
| 3 | June '55 | 95½ | 96 | 3.33 |
| 4½ | Nov. '56 | 106⅞ | 107½ | b3.27 |
| 4½ | Nov. '57 | 107½ | 108 | b3.34 |
| 3 | June '58 | 94½ | 95 | 3.37 |
| 4½ | Nov. '58 | 107⅞ | 108⅞ | b3.40 |
| 4½ | Nov. '59 | 108⅞ | 109½ | b3.40 |
| a4 | Oct. '60 | 97 | 98⅞ | 4.15 |
| a3½ | Jan. '61 | 88⅞ | 89⅞‡ | 3.97 |
| 3½ | June '66 | 97 | 97½ | 3.39 |
| a3e | Jan. '67 | 86 | 87⅞ | 3.77 |
| a3e | Nov. '68 | 86 | 87⅞ | 3.74 |
| a3† | Perpet'l. | 88½ | 88⅞ | 3.38 |
| **Dominion Guaranteed Bonds** | | | | |
| **Can. Nat'l. Railways:** | | | | |
| 2 | Feb. '43 | 99½ | 100½ | 1.91 |
| 2½ | Jan. '46 | 97 | 97⅞ | 2.63 |
| 3 | May '44 | 102 | 103 | 2.28 |
| 3 | Dec. '50 | 96 | 97 | 3.33 |
| 3 | Feb. '53 | 95½ | 96½ | 3.35 |
| 3 | Jan. '59 | 93½ | 94½ | 3.39 |
| *4½ | Sept. '51 | 111⅞ | 112⅞ | 3.21 |
| *4½ | Feb. '56 | 113 | 114 | 3.38 |
| c4½ | July '57 | 113½ | 114½ | 3.42 |
| *4½ | June '55 | 115½ | 116⅞ | 3.35 |
| 5 | Feb. '54 | 115 | 116 | 3.57 |
| *5 | July '69 | 113 | 114 | b2.75 |
| *5 | Oct. '69 | 116 | 117 | b3.40 |
| *5 | Feb. '70 | 116 | 117 | b3.45 |

**Provincial Gov't. Bonds**

| % | Due | Bid | Ask | Approx. Yld. |
|---|---|---|---|---|
| **New Brunswick:** | | | | |
| 3 | Oct. '51 | 89 | 91 | 3.95 |
| 3½ | Aug. '49 | 92½ | 94½ | 3.94 |
| 3½ | June '56 | 91½ | 93½ | 4.05 |
| c4 | Nov. '47 | 99½ | 101½ | b3.71 |
| c4½ | Apr. '61 | 104 | 106 | 4.07 |
| c5 | Jan. '60 | 107 | 109 | 4.32 |
| **Nova Scotia:** | | | | |
| 3 | Jan. '52 | 92½ | 94½ | 3.55 |
| 3½ | June '56 | 93 | 95 | 3.65 |
| 3½ | Nov. '50 | 97½ | 99 | 3.61 |
| c4½ | Sept. '52 | 106½ | 108½ | b3.26 |
| c4½ | Nov. '60 | 107 | 109 | 3.87 |
| c5 | Mar. '60 | 112½ | 114½ | 3.96 |
| **Ontario:** | | | | |
| 2½ | May '45 | 97 | 99 | 2.70 |
| 3 | Apr. '48 | 96⅞ | 97⅞ | 3.30 |
| 3 | Nov. '50 | 96½ | 97½ | 3.30 |
| 3½ | Nov. '51 | 98½ | 99½ | 3.30 |
| *4 | June '62 | 104 | 106 | 3.61 |
| 4½ | June '50 | 108⅞ | 109⅞ | 3.39 |
| *4½ | Jan. '62 | 111 | 113 | 3.64 |
| 5 | Oct. '48 | 111½ | 112½ | 3.36 |
| *5 | Dec. '60 | 116½ | 118½ | 3.72 |
| 5½ | July '46 | 112 | 113 | 3.28 |
| **Ont. Hydro Commission:** | | | | |
| 3 | Aug. '48 | 96⅞ | 97⅞ | 3.30 |
| 3½ | Feb. '53 | 97½ | 98½ | 3.39 |
| 3½ | Apr. '47 | 100 | 101½ | 3.26 |
| **Prince Edward Island:** | | | | |
| 3 | Oct. '45 | 97 | 99 | 3.19 |
| **Quebec:** | | | | |
| 3 | Nov. '47 | 95 | 96 | 3.58 |
| 3 | Nov. '51 | 93 | 94 | 3.62 |
| 3½ | Mar. '48 | 96 | 97½ | 3.60 |
| 3½ | June '52 | 94½ | 96 | 3.65 |
| 4 | Mar. '52 | 100 | 102 | 3.80 |
| 4½ | Aug. '58 | 101 | 103 | 4.02 |
| 4½ | Jan. '63 | 104½ | 106½ | 4.07 |
| **Alberta:** | | | | |
| 4 | Dec. '54 | 62 | 66 | d |
| 4½ | Oct. '51 | 67 | .. | d |
| c4½ | Oct. '56 | 63⅞ | 67⅞ | d |
| *5 | Oct. '59 | 64⅞ | 68⅞ | d |
| c5½ | Apr. '52 | 68 | 70 | d |
| 6 | Mar. '47 | 70 | 74 | d |
| **British Columbia:** | | | | |
| c4 | Dec. '57 | 98½ | 101½ | 3.90 |
| *4½ | Jan. '51 | 101½ | 104½ | 4.00 |
| c4½ | Oct. '53 | 101½ | 104½ | 4.07 |
| c5 | Apr. '54 | 103⅞ | 106⅞ | 4.38 |
| 5½ | Feb. '45 | 104½ | 107½ | 3.94 |
| 6 | Feb. '47 | 106 | 109 | 4.51 |
| **Manitoba:** | | | | |
| c4 | Dec. '57 | 86½ | 90½ | 4.82 |
| c4½ | Dec. '56 | 89½ | 93½ | 5.07 |
| *5 | Dec. '59 | 95½ | 99½ | 5.06 |
| 5½ | Oct. '55 | 97½ | 101½ | 5.28 |
| 6 | Apr. '47 | 99½ | 103½ | 5.41 |
| **Saskatchewan:** | | | | |
| 4 | Sept. '54 | 72⅞ | 76⅞ | 6.45 |
| 4 | Nov. '60 | 71⅞ | 75⅞ | 6.05 |
| c4½ | Oct. '51 | 78 | 82 | 6.70 |
| c4½ | Mar. '60 | 75½ | 79½ | 6.30 |
| 5 | Aug. '58 | 82½ | 86½ | 6.21 |
| 5½ | Oct. '52 | 84⅞ | 88⅞ | 6.81 |
| 6 | Mar. '52 | 87½ | 91⅞ | 7.00 |

*Payable Can., N.Y. & £. b-Calculated to call date giving lowest possible yield. c-Payable Can. & N.Y. a-Payable N.Y. †-Callable on or after Sept. 15, 1966. d-Traded flat. Interest being paid at 50% of coupon rate, minimum rate 2%. e-Callable at a premium. ‡-N.Y. funds.

## Unlisted Stocks

Nov. 28, 1939 (Furnished by A. J. Pattison Jr. & Co., Toronto)

| | Bid | Ask. |
|---|---|---|
| **Industrials:** | | |
| Acme Farm., p. | 16½ | 20 |
| Andian National | 35 | 36 |
| Anglo C. Tel., A | 9 | 9½ |
| Barrymore, pfd. | 19 | .. |
| B. C. Pulp, c. | 14½ | 17 |
| Do., pfd. | .. | 50 |
| B. C. Sugar | 91 | 95 |
| Burns & Co., A | 7 | 7½ |
| Do., B | 4½ | 4⅞ |
| Canada Tea, pf. | 20 | 24 |
| Can. G'drich, c. | 1½ | .. |
| C. I. L., A c. | 245 | .. |
| Can. Ing. Rand | 136 | 140 |
| Can. Tube, 1st p. | 68 | 72 |
| Chase, A. W., p. | 25½ | 26½ |
| Claude Neon, p. | 5 | 6½ |
| Cons. Sales, B p. | .. | 78 |
| Cop. Flour Unit | 8½ | .. |
| Dom. Manuf., p. | 61 | 65 |
| Dom. Wooll's. p | 4½ | 5½ |
| Dunlop T., p $25 | 22 | 23½ |
| Easy Washing, p | 8½ | 9½ |
| Fed. Grain, pfd. | 42 | 43 |
| Do., com. | 1⅞ | 2½ |
| Goderich Elev. | 9½ | 9⅞ |
| Guard. Realty, p | 12½ | .. |
| Guelph Carp., p. | 100½ | 102½ |
| Do., com. | 12½ | .. |
| Hayes Steel, c. | 22½ | 23½ |
| Do., pfd. ($10) | 10½ | 11 |
| Hi'land Dairy, p. | 72 | 76 |
| Do., com. | 2½ | .. |
| Kingston Sh. un. | 17 | 20 |
| Loblaw Inc., c. | 11 | 11½ |
| Morrison Br. un. | 4½ | 6½ |
| M'row Screw, p. | 99 | .. |
| Mt. Royal H., p. | 3 | 3½ |
| Neilson, Wm., c. | 7½ | .. |
| Do., pfd. | 104 | .. |

| | Bid | Ask. |
|---|---|---|
| N. B. Tel., c. | 12½ | 13½ |
| N. Meth. Ldy., p | 65 | 70 |
| Office Spec., p. | 72 | .. |
| Ont. Tob., pfd. | 20 | 23½ |
| Paterson, Wm. p | 102½ | 104½ |
| Prov. Paper, pf. | 105½ | .. |
| Reliance Gr., p. | 60½ | .. |
| Rob'tson P. L., p | 92 | .. |
| Rob. Cons. Cone | 8 | 8⅞ |
| Ruddy, E. L., p. | 27 | 30 |
| Seal O Sac (Can) | 4 | 5 |
| Stand. Fuel, c. | 1½ | .. |
| Do., pfd. | 55 | 60 |
| Stedman, p., $50 | 56½ | 58 |
| Tor. Carpet, c. | 18 | 22 |
| Do., pfd. | 53 | 56 |
| Un. F. Co-op. | 2½ | 2⅞ |
| Un. Steel, A pf. | 22½ | 23½ |
| Viceroy, p & rts | 23 | 25 |
| West. Grain, pf. | 7 | 8½ |
| Weston Hold. | .. | 6 |
| **Trusts & Loan Stocks:** | | |
| Brit. Mtge. | 151 | 154 |
| Com., Fin., c. | 2⅞ | 3½ |
| Guaranty Tr. | 96 | 100 |
| Guelph & O. $50 | 53 | 55½ |
| Lambton Loan | 31 | 35 |
| London & West. | 38 | 40½ |
| Sherbrooke Tr. | 120 | .. |
| Sterling Trust | 56½ | .. |
| Traders Fin. B.C. | 12½ | 14½ |
| Do., A pfd. | 80½ | 85 |
| Trusts & Guar. | 27½ | 28½ |
| Waterloo Trust | 98 | .. |
| **Insurance Stocks:** | | |
| Brit. Amer. | 56 | .. |
| Canada Life | 455 | 475 |
| Confed. 30% pd. | 145 | 152 |

| | Bid | Ask. |
|---|---|---|
| Crown, fully pd. | 260 | .. |
| Dominion Fire | 135 | .. |
| D. of Can. Gen. | 116 | 125 |
| Empire, 25% pd. | 5 | 6 |
| Excelsior, 32% p | 56 | 60 |
| Federal, 25% pd | 50 | 53 |
| Great-West Life | 220 | 235 |
| Halifax Fire | 21 | 23 |
| Imperial Life | 290 | 305 |
| Manufac. Life | 216 | 225 |
| Monarch 10% pd | 22½ | 24 |
| Sov. L., 25% pd. | 14 | 18 |
| Sun Life | 340 | 370 |
| Tor. General | 5½ | 6 |
| Wellington Fire | 58 | 62 |
| Western Assce. | 48 | 50 |
| **Theatre Stocks:** | | |
| Allens Lond., p. | 50 | 54 |
| Do. St. Cath. p | 52½ | 56½ |
| Do., Tor., p. c. | 32 | 36 |
| Mansf. Thea., p. | 27 | 30 |
| Para. Kitch., p. | 51 | 54 |
| Do., Oshawa, c | 10½ | 12 |
| **Investment Trust Shs.:** | | |
| Can. Investors | 6 | 6½ |
| Deb. & Sec., pf. | 63½ | .. |
| Inv. Found. Unit | 56½ | .. |
| Sec's. Hold., pf. | 21½ | .. |
| United Corp., A | 22 | 24 |
| Do., B | 10 | 11 |
| **Power Issues:** | | |
| Can. W. N. Gas | 23 | .. |
| Do., pfd. | 99½ | 101½ |
| Int. Util., 1.75 p | 17 | 20 |
| Do., 3.50 pfd. | 34 | 37 |
| Gt. Lakes Pr., p | 101½ | 103 |
| Mtl. Is. Pwr., p. | 20 | 24 |
| Nor. Ont. Pr., p. | 94½ | .. |

## Unlisted Mines

Toronto, Nov. 28, 1939

| | Bid | Ask |
|---|---|---|
| Addington | .04 | .05 |
| Albany R | .18 | .20 |
| Allied JS | .39 | .41 |
| Amorada | .05 | .07 |
| Amalg K | .16 | .17 |
| Anoki | .13 | .15 |
| Arjon | .01½ | .02½ |
| Armistice | .01½ | .02½ |
| Argosy | .04 | .04½ |
| Arno | .01 | .02 |
| Area | .04 | .04½ |
| Athona | .02½ | .03½ |
| Barb Lar | .02 | .02½ |
| Beresford | .23 | .25 |
| Big Mastr | .01 | .02 |
| Bilmac | .01½ | .02 |
| Bounty | .24 | .26 |
| Buff Bear | .06½ | .07 |
| Brown C | .80 | .90 |
| Calder Bo | .01½ | .02½ |
| Capital Ro | .00½ | .01½ |
| Can Rad | .15 | .17 |
| Central | .03½ | .04½ |
| Cheminis | .05½ | .06½ |
| Cocheno'r | .74 | .76 |
| Coin Lake | .06½ | .07½ |
| Crescent | .03½ | .04½ |
| Crowshore | .05 | .. |
| Dawson | .01 | .01½ |

| | Bid | Ask |
|---|---|---|
| Dayton | .03 | .04 |
| Delnite | 1.00 | 1.10 |
| Desantis n | .15 | .18 |
| Dona Pat | .11 | .12 |
| Donwood | .. | .04 |
| Doreva Q | .15 | .17 |
| Dumico | .. | .04½ |
| Elmos | .03½ | .04½ |
| Faulke'm | .. | .01 |
| Franco | .50 | .56 |
| Frontier | .02½ | .03 |
| Galore | .01½ | .02½ |
| Gate Pat | .01 | .02 |
| Hallnor | 7.25 | 8.00 |
| Hiawa'ha | .35 | .45 |
| Hislop | .01 | .02 |
| Hoyle n | .27 | .29 |
| Hugh PaP | .04 | .05 |
| Hutch Lke | .02 | .02½ |
| Jason | .37 | .40 |
| Keora | .03 | .03½ |
| Kaw Crow | .. | .01½ |
| Kenricia | .08 | .10 |
| Kewagama | .01½ | .02 |
| Kiena | .12 | .14 |
| Kirk Gate | .01½ | .02 |
| Lacoma | .01½ | .02 |
| Lake Duf | .29 | .31 |
| Lake Gen | .12 | .14 |

| | Bid | Ask |
|---|---|---|
| Lardego | .02½ | .03 |
| Magnet C | .70 | .72 |
| Magnet L | .14 | .16 |
| Martin Br | .03 | .03½ |
| Margaret | .10 | .13 |
| Mata Cana | .04 | .05 |
| Mof Hal n | .02 | .03 |
| Mooshla | .05½ | .06½ |
| Mosher | .10½ | .11½ |
| New Aug | .27 | .29 |
| Nat Mal | .29 | .32 |
| Negus | .75 | .85 |
| Ribago n | .04½ | .04½ |
| Nickel O | .70 | .80 |
| Norbeau | .30 | .40 |
| Norlake | .01 | .02 |
| North Am Mol'm | .. | .95 |
| Oklend | .13½ | .14½ |
| O'Leary | .01½ | .02½ |
| Opemiska | .06 | .08 |
| Oriole | .01½ | .02 |
| Orpit | .03½ | .05½ |
| Ossian | .01½ | .02 |
| Pascalis | .25 | .30 |
| Pontiac n | .26 | .28 |
| Phoenix | .07 | .08 |
| Pontiac Ro (Old) | .10 | .12 |

| | Bid | Ask |
|---|---|---|
| Pelangio | .01½ | .02½ |
| Polaris | .40 | .42 |
| Propri'y | 1.80 | 1.90 |
| Presdor | .03 | .03½ |
| Queb Man | .08½ | .09½ |
| Rahn Lk | .39 | .41 |
| Rand Ml | .10 | .11 |
| Red Lake | .01 | .02 |
| Rose Gold | .06 | .. |
| Rhyolite | .01½ | .02 |
| Sachigo | 6.25 | 6.75 |
| Shenango | *.05½ | .06½ |
| Sheldon | .03 | .05 |
| Siscoe Ex | .02 | .03 |
| Skynner | .04 | .05 |
| Smelter | .00½ | .01½ |
| Spooner | .03½ | .05 |
| Sunbeam | .13 | .16 |
| Springer | .10 | .12 |
| Thomson | .18 | .20 |
| Union Min | .05½ | .06½ |
| Vermilata | .24 | .26 |
| Walker Pt | .02½ | .03½ |
| Wells LL | .14 | .. |
| Winoga cum rts | .04 | .05 |
| Woco | .09 | .11 |
| West Red | .03 | .03½ |
| Y David'n | .24½ | .26 |

Montreal, Nov. 28, 1939

| | Bid | Ask |
|---|---|---|
| Beaucourt | .. | .08 |
| Cad Exp | .04½ | .05½ |
| Cont Kirk | .05 | .06 |
| Cournew | .. | .30 |
| Cuniptau | .02½ | .03½ |

| | Bid | Ask |
|---|---|---|
| Dorval U | .. | 5.00 |
| Fontana | .. | .04 |
| Landor | .. | .11 |
| L Rowan | .04 | .05 |
| Mar McN | .. | .03 |

| | Bid | Ask |
|---|---|---|
| Plains P | .20 | .30 |
| Porc Lake | .02 | .03 |
| Obalski | .04 | .05 |
| Pan Can | .03½ | .04½ |
| Routh'r C | .. | .03 |

| | Bid | Ask |
|---|---|---|
| Ribago N | .04½ | .04½ |
| South M | .. | .07 |
| Sun Ray | .20 | .25 |
| Valdor M | .60 | .70 |
| Warren'c | .. | .03 |

## Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

November 28, 1939

| Public Utility Issues: | Int. Rate % | Due | Bid Nov. 28 | Asked | Bid Nov. 21 |
|---|---|---|---|---|---|
| †Assoc. Tel. & T. | 5½ | '55 | 83 | 87 | 83 |
| Beauharnois P. | 5 | '73 | 98½ | 102½ | 99 |
| B. C. Power | 4½ | '60 | 100½ | 104½ | 101 |
| B. C. Tel. | 4½ | '61 | 103½ | 107½ | 104 |
| †Calgary Pwr. | 5 | '60 | 104 | 108 | 103 |
| Do. | 5 | '64 | 102 | 106 | 101 |
| †Can. Nor. Pwr. | 5 | '53 | 104½ | 108½ | 105 |
| *Dom. Gas & El. | 6½ | '45 | 98 | 102 | 98 |
| Gatineau Pwr. | 5 | '49 | 102 | 106 | 102 |
| Do., A | 3½ | '69 | 96½ | 100½ | 97½ |
| Gt. Lakes Pwr. | 4½ | '56 | 100½ | 104½ | 101 |
| *Int. Hydro-E. | 6 | '44 | 86 | 90 | 87 |
| ▲Inter. Power | 6 | '55 | 97 | .. | 97 |
| Macl'n-Que. Pr. | 4 | '59 | 96 | 100 | 96½ |
| Mtl. L. H. & P. | 3½ | '56 | 98½ | 102½ | 98½ |
| Do. | 3½ | '73 | 94 | 98 | 94 |
| †Mtl. Tramways | 5 | '41 | 94½ | 98½ | 96 |
| †Do. | 5 | '55 | 69½ | 73½ | 70½ |
| Nat. Lt. & Pwr. | 6 | '49 | 98½ | 102½ | 98½ |
| N. S. Lt. Pr. | 4 | '57 | 99 | 103 | 99 |
| Ottawa H. & P. | 4 | '57 | 100 | 104 | 100 |
| Ottawa V. Pwr. | 5 | '59 | 101½ | 105½ | 101½ |
| †Power Corp. | 4½ | '59 | 99½ | 103½ | 100 |
| Quebec Pwr. | 4 | '62 | 101 | 105 | 101 |
| °Saguenay P. A. | 4½ | '66 | 106½ | 110½ | 107 |
| Do., B | 4½ | '66 | 104 | 108 | 104 |
| Shaw. W. & Pr. | 4 | '61 | 99 | 103 | 100 |
| Union Gas | 4½ | '50 | 102 | 106 | 102 |
| United Secs. | 5½ | '52 | 65 | 69 | 66 |
| †Wpg. El., ser. A | 4 | '65 | 74 | 78 | 74½ |
| **Industrial and Realty Issues:** | | | | | |
| †Abitibi P. & P. | 5 | '53 | 57 | 61 | †58½ |
| Acadia Sugar | 4½ | '55 | 99 | 103 | 99 |
| †Alta. Pa. Grain | 6 | '46 | 97 | 101 | 97 |
| Atlantic Sugar | 4 | '51 | 99 | 103 | 99 |
| B. A. Oil | 4 | '45 | | | |
| †B. C. P. & Pap. | 6 | '50 | 74½ | 78½ | 75 |
| °Brown Co. | 5½ | '46 | 47 | 51 | 48½ |
| Burns & Co. | 5 | '58 | 65 | 69 | 67 |
| Canada Bread | 6 | '41 | 105 | 109 | 105 |
| Canada Cement | 4½ | '51 | 102 | 106 | 102 |
| Can. Paper | 4½ | '52 | 98 | .. | 98 |
| Can. Steamship | 5 | '57 | 90 | 94 | 90½ |
| Can. Canners | 4 | '51 | 101 | 105 | 101½ |
| *Can. Int. Paper | 6 | '49 | 98 | 102 | 98½ |
| †Candn. Vickers | 6 | '47 | 69½ | 73½ | 71 |
| C. P. R. | 3½ | '51 | 85 | 89 | 86 |
| Do. | 4 | '49 | 87 | 91 | 88½ |
| Do. | 4½ | '44 | 92 | 96 | 93 |
| Do. | 6 | '42 | 100½ | 104½ | 100½ |
| †Consol. Paper | 5½ | '61 | 55 | 59 | 57 |
| Dom. Coal | 4½ | '52 | 100 | .. | 100 |
| ▲Dom. Stl. & C. | 6½ | '55 | 109 | 113 | 110 |
| Dom. Tar | 4½ | '51 | 100½ | 104½ | 101 |
| †Donnacona P. | 4½ | '56 | 77 | 81 | 78 |
| Famous Players | 4½ | '51 | 98½ | 102½ | 99 |
| †Federal Grain | 6 | '49 | 97½ | 101½ | 97½ |
| †Fraser Cos. | 6 | '50 | 96 | 100 | 97 |
| Gen. Stl. Wares | 4½ | '52 | 100 | 104 | 100 |
| *Great Lakes P. | 5 | '55 | 90½ | 94½ | 92½ |
| †Gypsum, Lime | 5½ | '48 | 98½ | 102½ | 99 |
| Ham. By-Pr. C. | 5 | '55 | 101 | 105 | 101 |
| Inter-City Bak. | 5½ | '48 | 101 | 105 | 101 |
| *Inter. P., Nfld. | 4½ | '68 | 96 | 100 | 96 |
| Lake St. J. P. | 5½ | '61 | 88 | 92 | 89 |
| †Maple Leaf M. | 3 | '58 | 73½ | 77½ | 74½ |
| Massey-Harris | 4½ | '54 | 93 | 97 | 93 |
| McColl-Fron. | 4½ | '49 | 101½ | 105½ | 101½ |
| McCormick's | 4 | '52 | 90 | 94 | 90 |
| *M. & O. Paper | 6 | '45 | 42½ | 46½ | 43½ |
| Nat. Grocers | 4 | '47 | 101 | .. | 101 |
| N. S. Stl. & Co. | 3½ | '63 | 82½ | 86½ | 83½ |
| Price Bros. | 5 | '57 | 95½ | 99½ | 97 |
| *Prov. Paper | 5½ | '47 | 102 | 106 | 102 |
| Reliance Grain | 4½ | '52 | 92½ | 96½ | 93 |
| †Restigouche Co. | 6 | '48 | 96 | 100 | 97 |
| Rolland Paper | 4½ | '51 | 101 | 105 | 101 |
| Simpsons Ltd. | 4½ | '51 | 98½ | 102½ | 99½ |
| Smith, Howard | 4½ | '51 | 101½ | 105½ | 101 |
| †Steel of Can. | 6 | '40 | 111 | 115 | 109 |
| *United Gas | 5½ | '48 | 102 | .. | 102 |
| United Gr. Grs. | 5 | '48 | 97 | 101 | 97 |
| †Western Grain | 6 | '49 | 46 | 50 | 47 |

*Payable in Can. or U. S.
†Payable in Can., U. S. or U. K.
▲Payable in Can. or U. K.
°Payable in U. S. only.

## Investment Trusts

| | Bid | Asked |
|---|---|---|
| Affiliated Fund | 3.66 | 4.01 |
| Can. Inv. Fund | 4.05 | 4.45 |
| Can. Amer. Trust | 3.70 | 4.00 |
| All Can. Trustee | 12.35 | 13.10 |
| Grouped Income | .... | 6.00 |
| Trans-Canada Shs. | .... | 13.70 |

## Mining Dividends

| | | Close Nov. 27 | Yield % |
|---|---|---|---|
| Beattie Gold | 15c | 1.05 | 14.2 |
| Bralorne | 80c+40c | 11.00 | *10.9 |
| Buffalo Ankerite | 75c | 7.50 | 10 |
| Bulolo Gold | $3 | 24.00 | 12.5 |
| Can. Malartic | 9c | .67 | 13.4 |
| Cariboo Gold | 18½c+7½c | 2.20 | *11.7 |
| Central Patricia | 16c+5c | 2.37 | *8.7 |
| Coniagas | 25c | 1.50 | .. |
| Coniaurum | 16c | 1.74 | 9.1 |
| Cons. Smelters | $1+$1 | 47.50 | *4.2 |
| Dome Mines | $2 | 29.00 | 6.9 |
| Falconbridge | 30c | 4.50 | 6.7 |
| God's Lake | †5c | .58½ | .. |
| Goldale | †2c | .20 | .. |
| Gunnar Gold | 6c | .49¾ | 12 |
| Hollinger | 65c+45c | 14.50 | *7.5 |
| Howey Gold | 5c | .32 | 15.6 |
| Hudson Bay | $1.75 | 31.50 | 5.5 |
| Inter. Mining | 40c | 9.87 | 4.1 |
| Inter. Nickel, com. | $2 | 47.37 | 4.2 |
| Island Mountain | 15c | .95 | 15.7 |
| Kerr Lake | 15c | .50 | .. |
| Kirkland Lake | 8c+2c | 1.35 | *7.4 |
| Kootenay Belle | 16c+2c | .68 | .. |
| Lamaque Gold | 40c+17c | 6.95 | *8.2 |
| Lake Shore | $3.75 | 29.25 | 12.8 |
| Lava Cap M. | 11c | .85 | .. |
| Leitch | 8c | .77 | 10.4 |
| Little Long Lac | 30c | 2.90 | 10.3 |
| Macassa | 20c+12½c | 4.30 | *7.5 |
| McGillivray Coal | 3c | .23 | .. |
| McKenzie Red L. | 12c+2c | 1.35 | *10.3 |
| McWatters | 10c | .54 | .. |
| Moneta | 12c | .88 | 13.6 |
| McIntyre Porc. | $2+$1 | 56.00 | *5.3 |
| Nipissing | 15c | 1.21 | 12.4 |
| Noranda | $4 | 75.50 | 5.3 |
| North Empire | 75c | 9.50 | 7.9 |
| O'Brien Gold | 20c | 1.60 | 12.4 |
| Pamour Porc. | 8c | 1.99 | .. |
| Pato Cons. | 20c | 2.30 | .. |
| Paymaster | 2c | .34½ | .. |
| Perron Gold | 16c+4c | 1.99 | *10 |
| Pioneer, B.C. | 40c | 2.28 | 17.5 |
| Pickle Crow | 40c | 4.25 | 9.4 |
| Placer Develop. | $1.20 | 12.75 | 9.4 |
| Premier | 12c | 1.45 | 8.3 |
| Privateer Mine | 20c+2c | .95 | .. |
| Powell Rouyn | †5c | 1.90 | .. |
| Quebec Gold | †2c | .27 | .. |
| San Antonio | 14c | 1.90 | 7.3 |
| Sheep Creek | 16c+3c | 1.17 | *16.2 |
| Silbak Prem. | 16c | 1.00 | 16 |
| Siscoe | 12c+1c | .76 | *17.1 |
| Sudbury Basin | 5c | 2.02 | .. |
| Sullivan Cons. | 6c+1c | .75 | *9.3 |
| Sylvanite Gold | 20c+5c | 3.15 | *7.9 |
| Teck-Hughes | 40c+3c | 4.00 | *10.7 |
| Toburn | 8c+8c | 1.80 | *8.9 |
| Ventures | 15c | 4.45 | 3.3 |
| Wright-Harg. | 40c+30c | 8.05 | *8.7 |

*Yield including bonus. †Initial.

## Municipal Bonds

Nov. 28, 1939

| | | | | | |
|---|---|---|---|---|---|
| †Halifax | 5 | 1961 | 110.00 | 112.00 | 4.15 |
| Hamilton | 5 | 1950 | 110.15 | 112.15 | 3.60 |
| Montreal | 5 | 1945 | 99.00 | 101.00 | 4.78 |
| Ottawa | 4½ | 1945 | 106.00 | 108.00 | 2.95 |
| †Quebec | 5 | 1959 | 105.00 | 107.00 | 4.48 |
| Saint John | 5 | 1950 | 106.00 | 108.00 | 4.09 |
| †Toronto | 4½ | 1955 | 111.50 | 113.50 | 3.35 |
| †Vancouver | 5 | 1950 | 98.00 | 102.00 | 4.75 |
| Winnipeg | 5 | 1944 | 101.00 | 104.00 | 3.98 |

†Payable Can. and N.Y.

## Montreal Stocks Pay Larger Nov. Dividends

MONTREAL.—Dividend payments declared on stocks traded on the Montreal Stock Exchange and the Montreal Curb Market totalled $6,387,148 for November, representing an increase of $122,812 over the total for Nov., 1938.

Cumulative dividend payments for the first eleven months of this year totalled $189,107,786. This compares with $197,081,343 in the like period last year.

Payments this month have been made on 50 issues compared with disbursements on 41 in Nov., 1938.

## Dividends Declared

| | This payment | Date payable | Date of record |
|---|---|---|---|
| Agnew Surpass, pf. | $1.75 | Jan. 2 | Dec. 15 |
| Aluminium | $4 | Dec. 15 | Nov. 24 |
| Do., pref. | $1.50 | Dec. 1 | Nov. 16 |
| Andian National | †$1 | Dec. 1 | Nov. 20 |
| Do., extra | †50c | Dec. 1 | Nov. 20 |
| Anglo-Can. Tel., A | 15c | Dec. 1 | Nov. 15 |
| Asbestos Corp. | 15c | Dec. 31 | Dec. 15 |
| Do., bonus | 35c | Dec. 31 | Dec. 15 |
| Amer. Cyan., A, B | †15c | Jan. 2 | Dec. 15 |
| Do., extra | †*$1 | Dec. 15 | Dec. 1 |
| Do., pref. | †12½c | Jan. 2 | Dec. 15 |
| Bathurst Pwr., A | 25c | Dec. 20 | Dec. 9 |
| Bell Telephone | $2 | Jan. 15 | Dec. 23 |
| Brazil. Traction, p. | $1.50 | Jan. 2 | Dec. 15 |
| Bulolo Gold | $1.50 | Dec. 11 | Dec. 2 |
| Burlington Steel | 15c | Jan. 2 | Dec. 15 |
| Buff. Ankerite | 12½c | Jan. 2 | Dec. 15 |
| Bright, T. G. | 7½c | Dec. 15 | Nov. 30 |
| Do., pref. | $1.50 | Dec. 15 | Nov. 30 |
| Belding-Cort. | $1 | Jan. 2 | Dec. 15 |
| Do., pref. | $1.75 | Jan. 2 | Dec. 15 |
| Beattie Gold | 5c | Dec. 7 | Nov. 20 |
| Bk. Can. Nationale | $2 | Dec. 1 | Nov. 15 |
| Bk. of N. Scotia | $3 | Jan. 2 | Dec. 16 |
| Bk. of Montreal | $2 | Dec. 1 | Oct. 31 |
| Bk. of Toronto | $2.50 | Dec. 1 | Nov. 15 |
| Can. Vinegars | 30c | Dec. 1 | Nov. 15 |
| Can. W. & C., A | $1 | Dec. 15 | Nov. 30 |
| Do., pref. | $1.62½ | Dec. 15 | Nov. 30 |
| Do., B | 25c | Dec. 15 | Nov. 30 |
| Cosmos Imp., pref. | $1.25 | Jan. 15 | Dec. 30 |
| Coniaurum Mines | 6c | Dec. 1 | Nov. 15 |
| Can. Malartic | 3c | Dec. 15 | Nov. 28 |
| Can. Wineries | 15c | Dec. 12 | Nov. 30 |
| Can. Cottons | $1 | Jan. 2 | Dec. 15 |
| Do., pref. | $1.50 | Jan. 2 | Dec. 15 |
| Can. Malting | 37½c | Dec. 15 | Nov. 30 |
| Do., bonus | 50c | Dec. 15 | Nov. 30 |
| Can. Gen. Elec. | $1.50 | Jan. 1 | Dec. 15 |
| Can. Dom. Sugar | 37½c | Dec. 1 | Nov. 15 |
| Do., extra | 25c | Dec. 1 | Nov. 15 |
| Celanese of Am. | 50c | Dec. 1 | Nov. 17 |
| Do., (addit.) | ♦ | Dec. 22 | Nov. 17 |
| Do., part. pf. | $3.50 | Dec. 31 | Dec. 15 |
| Do., prior pfd. | $1.75 | Jan. 1 | Dec. 15 |
| Cons. Std. Sec., 1 p. | 37½c | Dec. 15 | Nov. 30 |
| Can. Ingersoll-R. | $2 | Dec. 4 | Nov. 15 |
| Can. Int. Inv. Tr., p. | 50c | Dec. 1 | Nov. 15 |
| Can. Perm. Mtge. | $2 | Jan. 2 | Dec. 15 |
| Chart. Trust | $1 | Jan. 2 | Dec. 15 |
| Do., extra | $1 | Jan. 2 | Dec. 15 |
| Can. Bread, 1st pf. | $1.25 | Jan. 2 | Dec. 15 |
| Do., B pref. | 62½c | Jan. 2 | Dec. 15 |
| Do., arrears | 37½c | Jan. 2 | Dec. 15 |
| Can. Tube & Stl., p. | $3 | Dec. 15 | Dec. 8 |
| Can. North. Pwr. | 30c | Jan. 25 | Dec. 30 |
| Do., pref. | $1.75 | Jan. 15 | Dec. 30 |
| Capital W. Cloth, p. | 37c | Dec. 1 | Nov. 20 |
| Canada Cement, p. | $1.25 | Dec. 20 | Nov. 30 |
| Can. W. N. Gas, p. | $1.50 | Dec. 1 | Nov. 15 |
| Can. West'ghouse | 37½c | Jan. 2 | Dec. 20 |
| Cariboo Gold | 4c | Jan. 2 | Dec. 6 |
| Do., bonus | 2c | Jan. 2 | Dec. 6 |
| Crow's Nest Coal | $1.50 | Dec. 23 | Dec. 1 |
| Can.-For. Inv., p. | $2 | Jan. 1 | Dec. 15 |
| Confed. Life | $1.50 | Dec. 31 | Dec. 25 |
| Debent. & Sec., p. | $5 | Jan. 2 | Dec. 23 |
| Dom. Textile | $1.25 | Jan. 2 | Dec. 15 |
| Do., pref. | $1.75 | Jan. 15 | Dec. 30 |
| Dom. Scot. Inv., pf. | 50c | Dec. 1 | Nov. 27 |
| Dist. Seagram | 55½c | Dec. 15 | Dec. 1 |
| Do., pref. | †$1.25 | Feb. 1 | Jan. 15 |
| David & Frere, A | 15c | Dec. 30 | Dec. 15 |
| Do., extra | 10c | Dec. 30 | Dec. 15 |
| Do., bonus | 25c | Dec. 30 | Dec. 15 |
| Dunlop Tire, c. | 50c | Dec. 29 | Dec. 15 |
| Do., 1st pref. | 62½c | Dec. 31 | Dec. 15 |
| Dom. Envelope, 1 p. | $3.50 | Dec. 1 | Nov. 20 |
| Do., arrears | $14 | Dec. 1 | Nov. 20 |
| Dom. Foundries, pf. | $1.50 | Dec. 1 | Nov. 21 |
| Dom. Coal, pfd. | 38c | Jan. 2 | Dec. 15 |
| Dom. Ang. Inv., p. | $1.25 | Dec. 1 | Nov. 15 |
| Electrolux | 20c. | Dec. 15 | Nov. 15 |
| English Elec., A | 62½c | Dec. 15 | Dec. 6 |
| Famous Players | 25c | Dec. 28 | Dec. 18 |
| Ford Motor, A, B, | 25c | Dec. 16 | Nov. 25 |
| Gatineau Pwr. | 20c | Dec. 30 | Dec. 1 |
| Do., extra | 5c | Dec. 30 | Dec. 1 |
| Do., 5% pref. | $1.25 | Jan. 1 | Dec. 1 |
| Do., 5½% pref. | $1.38 | Jan. 1 | Dec. 1 |
| Granby Cons. | 25c | Dec. 1 | Nov. 15 |
| Gen. Steel W., pf. | $1.75 | Dec. 15 | Dec. 1 |
| Greening Wire | 15c | Jan. 2 | Dec. 15 |
| Huron & E. Mtge. | 1% | Jan. 2 | Dec. 15 |
| H. Smith Pap., pf. | $1.50 | Jan. 15 | Dec. 31 |
| Ham. Un. Thea., p. | $1.50 | Dec. 30 | Nov. 30 |
| Hollinger Cons. | 5c | Dec. 2 | Nov. 18 |
| Do., extra | 5c | Dec. 2 | Nov. 18 |
| Hart Battery | 20c | Dec. 15 | Nov. 30 |
| Hallnor M. | 18c | Dec. 1 | Nov. 15 |
| Howey Gold | 2c | Dec. 1 | Nov. 1 |
| Hud. Bay Mining | $1 | Dec. 11 | Nov. 17 |
| Imperial Oil | 25c | Dec. 1 | Nov. 17 |
| Do., extra | 12½c | Dec. 1 | Nov. 17 |
| Inter. Petroleum | 75c | Dec. 1 | Nov. 20 |
| Int. Nickel, c. | †50c | Dec. 30 | Dec. 1 |
| Island Mtn. M. | 7c. | Dec. 15 | Dec. 1 |
| Imperial Tob., ord. | 10c | Dec. 30 | Dec. 8 |
| Inter. C. Baking | $1.50 | Dec. 10 | Dec. 1 |
| Indust. Accept., A | 50c | Dec. 31 | Dec. 15 |
| Lake Shore M. | 75c | Dec. 15 | Dec. 1 |
| Lava Cap G. | †4c | Dec. 20 | Dec. 1 |
| Louisiana Land | †5c | Dec. 15 | Dec. 1 |
| Lake of W. Mill, p | $1.75 | Dec. 1 | Nov. 15 |
| Laura Secord | 20c | Dec. 1 | Nov. 15 |
| Lamaque Gold | 10c | Jan. 1 | Dec. 8 |
| Landed Banking | $1 | Jan. 2 | Dec. 15 |
| Lang, John A. | 17½c | Jan. 2 | Dec. 15 |
| Loblaw Groc., A B | 25c. | Dec. 1 | Nov. 10 |
| Do., extra | 12½c | Dec. 1 | Nov. 10 |
| Loblaw, Inc. | 20c | Dec. 1 | Nov. 15 |
| Little Long Lac | 10c | Dec. 11 | Nov. 28 |
| McManus Pete., p. | 30c | Jan. 3 | Dec. 26 |
| Do., com. | 30c | Jan. 3 | Dec. 26 |
| McIntyre Porc. | 50c | Dec. 1 | Nov. 1 |
| Do., extra | $1 | Jan. 2 | Nov. 1 |
| Monarch Rylts. | 1c | Dec. 4 | Nov. 20 |
| Macassa Mines | 5c | Dec. 15 | Nov. 30 |
| Do., extra | 5c | Dec. 15 | Nov. 30 |
| McK. Red. Lake | 3c | Dec. 15 | Dec. 1 |
| Do., extra | 2c | Dec. 15 | Dec. 1 |
| Montreal Loan | 50c | Dec. 15 | Nov. 30 |
| McKin. Steel, p. | ‡$1.75 | Dec. 15 | Nov. 30 |
| Melchers, pref. | 30c | Dec. 30 | Dec. 15 |
| Marcus Loew's, pf. | $1.75 | Dec. 15 | Dec. 2 |
| Do., arrears | $1.75 | Dec. 15 | Dec. 2 |
| Mitchell, J. S., p. | $1.75 | Jan. 2 | Dec. 15 |
| Montreal Cottons | 50c | Dec. 15 | Nov. 30 |
| Do., pref. | $1.75 | Dec. 15 | Nov. 30 |
| National Brew. | 50c | Jan. 2 | Dec. 15 |
| Do., pref. | 43c | Jan. 2 | Dec. 15 |
| Nat. Biscuit | 40c | Dec. 15 | Nov. 14 |
| Nat. Grocers, pf. | 37½c | Jan. 1 | Dec. 15 |
| N. Meth. Ldry. p. | $1.62½ | Dec. 1 | Nov. 24 |
| Northwest. Util., p. | $1.50 | Dec. 1 | Nov. 24 |
| Noranda | $1 | Dec. 15 | Nov. 20 |
| Nipissing M. | 15c. | Dec. 11 | Nov. 22 |
| North. Empire M. | 40c | Dec. 12 | Nov. 24 |
| N. S. Light Pr., p. | $1.50 | Dec. 1 | Nov. 14 |
| Ogilvie Flour, pf. | $1.75 | Dec. 1 | Nov. 18 |
| Ont. Loan & Deb. | $1.25 | Jan. 2 | Dec. 15 |
| Para. Pictures, pf. | †$1.50 | Dec. 26 | Dec. 8 |
| Do., 2nd pref. | †15c | Dec. 26 | Dec. 8 |
| Perron Gold | 4c | Dec. 21 | Dec. 1 |
| Do., extra | 3c | Dec. 21 | Dec. 1 |
| Pato Cons. Gold | 10c | Dec. 20 | Dec. 2 |
| Placer Dev. | 60c | Dec. 11 | Dec. 2 |
| Power Corp., c. | 30c | Dec. 21 | Dec. 2 |
| Power Corp., pfd. | $1.50 | Jan. 15 | Dec. 30 |
| Do., 2nd pref. | 75c | Jan. 15 | Dec. 30 |
| Paton Mfg. | 50c | Dec. 15 | Nov. 30 |
| Do., pref. | $1.75 | Dec. 15 | Nov. 30 |
| Provincial Bank | $1.50 | Dec. 1 | Nov. 15 |
| Prairie Rylts. | 2c | Dec. 4 | Nov. 20 |
| Pioneer Gold | 10c | Jan. 2 | Nov. 30 |
| Reinhardt Brew. | 10c | Dec. 1 | Nov. 20 |
| Rolland Pap., pref. | $1.50 | Dec. 1 | Nov. 15 |
| Simon & Sons | 15c | Dec. 22 | Dec. 7 |
| Do., pref. | $1.75 | Dec. 22 | Dec. 7 |
| Siscoe Gold | 3c | Dec. 15 | Nov. 25 |
| Do., extra | 1c | Dec. 15 | Nov. 25 |
| Sec. Can. Int. Inv., p. | 10c | Dec. 1 | Nov. 15 |
| Sher.-Williams, p. | $1.75 | Jan. 2 | Dec. 15 |
| Stand. Steel, p. | 75c | Jan. 1 | Dec. 15 |
| Sylvanite G. | †5c | Dec. 30 | Nov. 16 |
| Silverwood's, pf. | ‡20c | Dec. 1 | Nov. 18 |
| Stuart, D. A., pf. | 20c | Dec. 1 | Nov. 15 |
| St. Law. Corp., A p. | ‡$1 | Dec. 15 | Dec. 1 |
| Supersilk H., pfd. | $2.50 | Jan. 2 | Dec. 15 |
| Sunset Oils | °2½c | Dec. 15 | Dec. 5 |
| Sovereign Life | $1.25 | Dec. 15 | Dec. 1 |
| South. Can. Pr., p. | $1.50 | Jan. 15 | Dec. 20 |
| Do., com. | 20c | Feb. 15 | Jan. 31 |
| Teck-Hughes | 10c | Jan. 1 | Dec. 8 |
| Ter. Elevators, pf. | 66c | Dec. 7 | Nov. 23 |
| Do., com. | $1 | Dec. 7 | Nov. 27 |
| Trans.-Can. Shs., A | 0.222 | Dec. 1 | Coup. 13 |
| Union Gas | 20c | Dec. 15 | Nov. 20 |
| Vulcan Oils | 5c | Jan. 10 | Dec. 20 |
| Walker-Good. | $1 | Dec. 15 | Nov. 24 |
| Do., pref. | 25c | Dec. 15 | Nov. 24 |
| W. Can. Hydro, p. | 20c | Dec. 1 | Nov. 20 |
| Weston, Geo., c. | 20c | Jan. 2 | Dec. 15 |
| Wilsil | 25c | Jan. 2 | Dec. 15 |
| Wr.-Hargreaves | †10c | Jan. 2 | Nov. 23 |
| Do., extra | †5c | Jan. 2 | Nov. 23 |
| Do., interim | †10c | Jan. 15 | Dec. 1 |

♦At rate of 1 sh. for each 40 shs. held. *Interim. ‡On arrears. †Payable in U. S. funds. °Paid in 5% cum. conv. pref. 2nd series. Fractional shares or script paid in cash.

## DIVIDEND NOTICES

### Canadian Tube & Steel Products Limited

A dividend of THREE DOLLARS ($3.00) per share on the 7% Cumulative Preferred Stock of Canadian Tube & Steel Products Limited has been declared payable on the 15th day of December, 1939, to Shareholders of record at the close of business on the 8th day of December, 1939.

P. B. NASH,
Secretary.

MONTREAL, November 24th, 1939.

### Imperial Tobacco Company of Canada, Limited

**DIVIDEND**

NOTICE IS HEREBY GIVEN that an Interim Dividend (No. 135) of ten cents (10c) per share on the paid-up Ordinary Shares of the Company has been declared payable on Saturday, the 30th day of December, 1939, to shareholders of record at the close of business on Friday, the 8th day of December, 1939.

By Order of the Board,
A. ROBERTSON,
Secretary.

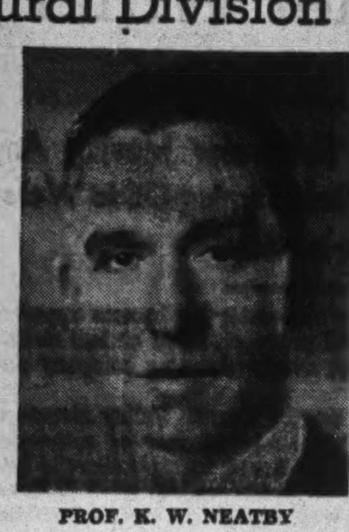
Montreal, P.Q.,
24th November, 1939.

# Line Country Elevators Form Agricultural Division

Line country elevator companies of western Canada have formed an agricultural division of the North-West Grain Dealers' Association. The new department will be under the direction of Professor K. W. Neatby.

"For some time the line elevators have been giving serious consideration to the most effective and constructive manner in which they could assist in agricultural problems. The proper personnel to undertake such a work was their first consideration. They are now pleased to announce the appointment of Professor Neatby who is an outstanding authority on field crops and agriculture generally," says G. W. P. Heffelfinger, president of the Line Elevators' Association. "He will be given a free hand in dedicating the work of this new department to the welfare and advancement of farming in western Canada. Particular thought will be given to seed grain and crop improvement work."

Professor Neatby spent his early years in Saskatchewan and in 1924 obtained his B.S.A. degree at the University of Saskatchewan. He performed graduate work in cereal breeding at the University of Saskatchewan in 1925-26 and at the University of Minnesota in 1927-28 in genetics and plant pathology, where he obtained his M.S.A. degree. From 1926 until 1935 he was attached to the Dominion Rust Research Laboratory as cereal specialist and in 1935 was appointed head of the field crop department of the University of Alberta.



PROF. K. W. NEATBY

## DIVIDEND NOTICES

### The Dominion Bank

Notice is hereby given that the Annual General Meeting of the Shareholders will be held at the Head Office of the Bank in Toronto on Wednesday, the thirteenth day of December, 1939, at the hour of 2.30 o'clock in the afternoon.

By Order of the Board.
ROBERT RAE,
General Manager.

Toronto, 26th October, 1939.

### THE CANADIAN BANK OF COMMERCE

The annual meeting of the shareholders of this Bank, for the election of Directors and for other business, will be held at its banking house, No. 25 King Street West, Toronto, on Tuesday, the 12th day of December next.

The chair will be taken at 11 o'clock a.m.

By order of the Board,
A. E. ARSCOTT,
General Manager.

### The Royal Bank of Canada

**ANNUAL MEETING**

THE Annual General Meeting of the Shareholders of the Bank will be held at the Head Office, 360 St. James Street West, in the City of Montreal, on Thursday, the 11th day of January, 1940, at 11 o'clock a.m.

By order of the Board.
S. G. DOBSON,
General Manager.

Montreal, December 1, 1939.

### General Steel Wares Limited

**DIVIDEND NOTICE**

Notice is hereby given that a Dividend of $1.75 per share on the outstanding 45,000 shares of 7% Cumulative Participating Preferred Stock of a par value of $100.00 each of General Steel Wares Limited, has been declared, payable on the 15th day of December, 1939, to shareholders of record at the close of business on the 1st day of December, 1939, being a Cumulative Dividend at the rate of 7% per annum in respect of the three months' period commencing 1st day of August, 1939, and ending the 31st day of October, 1939.

By Order of the Board,
FRANK S. BROPHY,
Secretary.

Montreal, November 24th, 1939.

### Vulcan Oils Limited

**DIVIDEND NOTICE**

Notice is hereby given that a dividend of five cents (.05c) per share has been declared payable to shareholders of the Company, of record as such on the books of the Company, at the close of business on Wednesday, the 20th day of December, 1939, and that the said dividend will be payable on or after Wednesday, the 10th day of January, 1940.

The Register of Transfers will be closed from the close of business on Wednesday, the 20th day of December, 1939, until the opening of business on Wednesday, the 10th day of January, 1940.

By Order of the Board.
FRANK R. FREEZE,
Secretary-Treasurer.

Calgary, Alberta,
November 21st, 1939.

### Gatineau Power Company

**Notice of Dividend on 5% Cumulative Preferred, 5½% Cumulative Preferred and Common Shares.**

Montreal, Canada,
November 16, 1939.

The Board of Directors has declared a quarterly dividend of $1.25 a share on the 5% Cumulative Preferred shares and $1.38 a share on the 5½% Cumulative Preferred shares of the Company payable January 1st, 1940, to shareholders of said classes of record at the close of business December 1st, 1939; also a quarterly dividend of Twenty cents ($.20) a share and an extra dividend of Five cents ($.05) a share on the Common Shares of this Company outstanding at the close of business December 1st, 1939, payable on December 30th, 1939, to shareholders of said class of record at the close of business December 1st, 1939.

Cheques will be mailed. Stock transfer books will not close.

J. R. BINKS,
Secretary.

**DIVIDEND NOTICE**

### Canada Malting Co., Limited

NOTICE is hereby given that a regular quarterly dividend of Thirty-seven and one-half cents (37½c) per share, and a bonus of Fifty cents (50c) per share were declared on the no par value stock of the Company, payable December 15th, 1939, to Shareholders of record at the close of business on the 30th day of November, 1939. The books of the Company are to be closed from December 1st, 1939, to December 14th, 1939, inclusive.

Share Warrant Holders will present Coupon Serial No. 48 to the Royal Bank of Canada, MONTREAL, TORONTO, WINNIPEG and CALGARY, on or after December 15th, 1939.

By Order of the Board,
JOHN P. HEIGHTON,
Secretary.

Dated at Montreal,
November 24th, 1939.

## DIVIDEND NOTICES

### Dominion Textile Co. Limited

*Notice of Preferred Stock Dividend*

A DIVIDEND of One and Three Quarters per cent. (1¾%) has been declared on the Preferred Stock of DOMINION TEXTILE COMPANY, Limited, for the quarter ending 31st December, 1939, payable 15th January 1940, to shareholders of record 30th December, 1939.

By order of the Board.
L. P. WEBSTER,
Secretary.

Montreal, November 23rd, 1939.

### Dominion Textile Co. Limited

*Notice of Common Stock Dividend*

A DIVIDEND of One Dollar and Twenty-five cents ($1.25) per share, has been declared on the Common Stock of DOMINION TEXTILE COMPANY, Limited for the quarter ending 31st December, 1939, payable 2nd January, 1940, to shareholders of record 15th December, 1939.

By order of the Board,
L. P. WEBSTER,
Secretary.

Montreal, November 23rd, 1939.

**DIVIDEND NOTICE**

### English Electric Company of Canada, Limited

**CLASS "A" SHARES**

Notice is hereby given that the Board of Directors have declared a dividend of sixty-two and one-half cents (62½c) per share on the outstanding Class "A" shares of the Company, payable Dec. 15th, 1939, to shareholders of record at the close of business on Dec. 6th, 1939.

AUBREY MUNDY,
Secretary.

Nov. 25th, 1939.

**Notice of Dividend**

### FAMOUS PLAYERS Canadian Corporation LIMITED

NOTICE is hereby given that a quarterly dividend of Twenty-Five Cents (25c) per share has been declared on all issued Common shares of the Company without nominal or par value, payable on Thursday, the 28th day of December, 1939, to shareholders of record, Monday, the 18th day of December, 1939.

By order of the Board.
THOS. J. BRAGG,
Secretary-Treasurer.

Dated at Toronto, this 23rd day of November, 1939.

**DIVIDEND NOTICE**

### Canadian General Electric Company, Limited

Notice is hereby given that a dividend of one dollar and fifty cents per share for the quarter ending December 31, 1939, has been declared on the Common Stock of the Company.

That the above dividend is payable on January 1, 1940, to shareholders of record at the close of business on December 15, 1939.

By Order of the Board.
W. H. NESBITT,
Secretary.

Toronto, November 27, 1939.

### Canada Permanent Mortgage Corporation

Notice is hereby given that a Dividend of TWO PER CENT. on the paid-up Capital Stock of the Corporation has been declared for the current quarter, and that the same will be payable

**TUESDAY, THE SECOND DAY OF JANUARY**

next, to Shareholders of record at the close of business on the Fifteenth day of December, 1939.

By order of the Board.
Walter F. Watkins,
Secretary.

Toronto, November 15th, 1939.

### The Bell Telephone Company of Canada

**Notice of Dividend**

A dividend of Two Dollars per share has been declared payable on the 15th day of January, 1940, to shareholders of record at the close of business on the 23rd of December, 1939.

F. G. WEBBER,
Secretary.

Montreal, November 22, 1939.

# U.S. Scientists Seek New Use Surplus Wheat

## Canadian Elevator Companies Urge More Action Here

### SEE POSSIBILITIES

From Our Own Correspondent

WINNIPEG.—Over a million dollars will be spent in 1940 for research into finding new industrial uses for wheat, according to a report to the North-West Grain Dealers' Association.

Acting on behalf of the Canadian line country elevator companies, Cecil Lamont of the Alberta Pacific Grain Co. has visited the research division of the United States Department of Agriculture at Washington, D.C., and the Ford Research Laboratories at Detroit, Michigan. The purpose was to observe progress achieved and plans being made for research into finding new uses for wheat and other farm products following a preliminary survey which he made a year ago.

In reporting to the Association Mr. Lamont said that experiments are now proceeding in the Ford laboratories for the manufacture of synthetic wool from proteins derived from the wheat kernel. A synthetic wool which is more resilient than wool itself has been produced in the Ford laboratories from soya bean proteins. If the plans are successful wheat will be the base used in making the velour seats for cars, and its use will be extended generally into the making of various velours and cloths. A new pre-forming process is being used for making plastic tractor seats from wheat straw. Initial experiments of the chemists give promise of success.

**Spend Millions**

Officials of the United States Department of Agriculture furnished the line elevator companies' representative with their plans for research into finding industrial uses for wheat. Research projects include doubling the present extraction of power alcohol from wheat and development of new types of motors to be operated by either liquid or powdered fuel derived from wheat, corn and agricultural wastes. These experiments will be carried out in the Research Laboratory now being built at Peoria, Illinois, at a cost of $1.8 million.

The report to the Grain Dealers' Association deals exhaustively with the various technical plans of the United States Government for seeking new industrial uses for wheat, oats, barley, rye, wheat straw and other agricultural wastes. It will be submitted to the Government of Canada in support of the request of the North-West Grain Dealers' Association to the Government for establishment of a Western Division of the National Research Council.

## Canada Malting Pays Year-end Extra of 50c

Canada Malting Co. has declared an extra dividend of 50 cents a share, payable, along with the regular quarterly payment of 37½ cents a share, on Dec. 15, 1939, to shareholders of record Nov. 30.

## DIVIDEND NOTICES

### The Ontario Loan and Debenture Company

**210th DIVIDEND**

Notice is hereby given that a QUARTERLY DIVIDEND of $1.25 per share for the current quarter ending 31st December, 1939, has been declared on the paid up Capital Stock of this Company and will be payable at the Company's Office, London, Ontario, on the 2nd January, 1940, to Shareholders of record of the 15th December, 1939.

By Order of the Board.
T. H. MAIN,
Manager.

London, Ontario,
21st November, 1939.

SIMON'S

### H. Simon & Sons Limited

A Dividend of $1.75 per share has been declared upon the outstanding 7% Cumulative Preferred Stock of H. SIMON & SONS LIMITED, said Dividend to be payable on the 22nd day of December, 1939, to shareholders of record at the closing of business on the 7th day of December, 1939, also an Interim Dividend of 15 cents per share has been declared upon the outstanding No Par Value Common Stock of H. SIMON & SONS LIMITED, said Dividend to be payable on the 22nd day of December, 1939, to shareholders of record at the closing of business on the 7th day of December, 1939.

By Order of the Board.
EDWARD SIMON,
Secretary.

Montreal,
November 27, 1939.

### The Montreal Cottons Limited

NOTICE IS HEREBY GIVEN THAT A QUARTERLY DIVIDEND OF ONE AND THREE QUARTERS PER CENT (1¾%), being at the rate of Seven per cent (7%) per annum, has been declared upon the preferred stock of the Company, and cheques will be mailed on the fifteenth day of December next to shareholders of record at the close of business on the 30th day of November, 1939.

By Order of the Board,
CHAS. GURNHAM,
Secretary-Treasurer.

Valleyfield, November 22nd, 1939.

### The Montreal Cottons Limited

NOTICE IS HEREBY GIVEN THAT A DIVIDEND OF ONE HALF OF ONE PER CENT (½%) has been declared upon the Common Stock of the Company, and cheques will be mailed on the fifteenth day of December next to shareholders of record at the close of business on the 30th day of November, 1939.

By Order of the Board,
CHAS. GURNHAM,
Secretary-Treasurer.

Valleyfield, November 22nd, 1939.

**Week in Wheat**

# Record Wheat Flow Moves Across Lakes

## Movement For Last Half of November May Total 50 Million Bushels — Heavy Winter Export Anticipated

From Our Own Correspondent

WINNIPEG.—The most rapid movement of Canadian wheat ever known across the Great Lakes is now in progress. Last week-end saw 37 vessels clear from Port Arthur and Fort William with nearly 10 million bushels of grain.

Total movement of wheat from the head of the lakes for the last half of November may well reach 50 million bushels. A large additional quantity is likely to move in early December with vessel clearings heavy up to the middle of December. The close of navigation is likely to see terminal elevator stocks at the head of the lakes well depleted, although there is sufficient wheat there to take care of all probable shipments.

**Big Winter Export**

Such a record movement of wheat indicates expectation by forwarders of a very large overseas movement during the winter. The rate at which purchases have been made in the Winnipeg market suggests that a considerable portion of this wheat is already definitely booked for shipment. The rate at which it actually moves overseas will depend of course on the allocation of ships to the North Atlantic route by the British shipping authorities.

There appears to be every reason to believe that wheat will be shipped as rapidly as ships are made available, and that wheat will be in position at every North Atlantic port to load whenever freight space can be found for it. It would appear that British arrangements for using Canadian wheat will result in a very much greater absorption of it in the near future than has been the case since the outbreak of the war.

* * *

**Higher Price Possible**

While prices have remained practically unchanged, with only fractional fluctuations, a situation is in the making which might make higher prices in the near future seem reasonable. Southern hemisphere crops have been going back badly, and neither Australia nor Argentina will produce nearly as much wheat as seemed probable even two weeks ago. The fact that surpluses in both countries will be smaller than anticipated may well lessen the selling pressure, with some mark-up of asking prices.

Prices for Canadian wheat have been held down in recent weeks by the much lower prices at which southern hemisphere wheat has been offered, and any advances there would tend to make acceptable an advance in Canadian prices both to British authorities and to neutral buyers.

* * *

**U. S. Prospects Poor**

In the United States it is now assumed that it is practically impossible for that country to produce more than about 400 million bushels of winter wheat, which means a probable production in 1940 well below a year's domestic requirements. The carryover this year was sufficient to put practically out of the question any actual scarcity of wheat, but farmers might well hold wheat tightly enough to force a considerable advance in prices in that country. Under such conditions the Government there might cease altogether efforts to force out wheat exports under subsidy, removing one of the bearish influences on international wheat prices.

* * *

**British Buying**

From the steadiness of prices recently the market has assumed that the British purchasing agent has been willing to buy Canadian wheat in quantity at 70 cents a bushel Fort William for cash wheat. From the fact that the Canadian Wheat Board has presumably been a free seller at that level, it has also been assumed that higher prices were not to be obtained for quantity sales to Great Britain until there was some alteration in the supply conditions on which low prices have been based. With a considerable change in such conditions probable as the season advances, it is possible that some advance in prices might not be strongly resisted. The current spread between cash and July wheat is about six cents a bushel, and when the two come together, as they must in time, it is now at least as likely to be a gradual advance in cash wheat prices as by a decline in the futures price.

* * *

**Western Moisture**

A good deal of concern is beginning to be expressed in western Canada about moisture deficiency, which threatens the prospects for next year's production. While it is possible for such deficiency to be overcome by rains next spring and summer, the odds are at least against another crop as large as was produced this year.

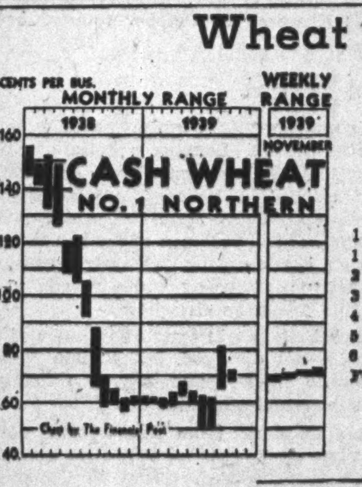
## Western Canada Flour Appoints New President

Western Canada Flour Mills Co. has announced the appointment of G. R. Cottrelle to the position of acting president of the company, to replace A. J. Mitchell, who has resigned as president. Mr. Mitchell becomes chairman of the board of directors.

MR. R. H. B. KER
Who was recently re-elected Vice-President of Western Canada Flour Mills Company Limited, is President of Home Oil Co. Limited, Vice-President Seattle Brewing & Malting Co., and Director of Neon Products of Western Canada, Limited.

I. C. HALL
President of Globe Envelopes Limited and Director of many other companies, has been elected to the board of Western Canada Flour Mills Company Limited.

## Wheat Prices



| | For Week Nov. 28 High | For Week Nov. 28 Low | Prev. Week High | Prev. Week Low |
|---|---|---|---|---|
| 1 Hard | .72⅞ | .70¼ | .70⅞ | .70⅜ |
| 1 Northern | .72⅞ | .70¼ | .70⅞ | .70⅜ |
| 2 Northern | .71⅝ | .68¼ | .68⅞ | .68⅜ |
| 3 Northern | .69⅝ | .66⅛ | .68¼ | .67¼ |
| 4 Northern | .67⅛ | .64⅛ | .66⅜ | .65½ |
| 5 Wheat | .62⅜ | .60⅞ | .61⅞ | .61⅜ |
| 6 Wheat | .58⅜ | .56¼ | .56⅞ | .56⅜ |
| Feed Wheat | .57⅜ | .55¼ | .55⅞ | .55⅜ |

### Winnipeg Grain Futures

Week to Nov. 28, 1939

| Crop year from Aug. 1, 1939 High | Crop year from Aug. 1, 1939 Low | | Open Nov. 22 | High for week | Low for week | Close Nov. 28 | Close year ago |
|---|---|---|---|---|---|---|---|
| | | **Wheat** | | | | | |
| .85⅝ | .51⅜ | Nov. | .70¼ | .73½ | .70¼ | .73½ | .59¼ |
| .85 | .51½ | Dec. | .70½ | .73 | .69⅞ | .72⅝ | .58¾ |
| .88 | .54⅞ | May | .75⅝ | .77½ | .74¾ | .76⅞ | .61⅜ |
| .78⅞ | .76⅛ | July | .76¾ | .78⅞ | .76⅛ | .78⅜ | .62⅛ |
| | | **Oats** | | | | | |
| .40 | .30¼ | Nov. | ..... | .33 | .32¼ | .33 | ..... |
| .41 | .26⅛ | Dec. | .32 | .33½ | .31⅞ | .33½ | .27⅜ |
| .45¾ | .27½ | May | .33⅝ | .34½ | .33⅝ | .34⅜ | .28⅝ |
| .34¼ | .32 | July | ..... | .34¼ | .33¼ | .34 | .28½ |
| | | **Barley** | | | | | |
| .53 | .42 | Nov. | ..... | .44¾ | .42¼ | .44¾ | ..... |
| .49⅝ | .32¾ | Dec. | .41½ | .44¾ | .41⅞ | .43⅞ | .35⅞ |
| .51⅜ | .33⅝ | May | .44¼ | .46⅞ | .44¼ | .46 | .37¼ |
| .46⅝ | .44 | July | ..... | .46⅝ | .44¼ | .45⅝ | .37 |
| | | **Flax** | | | | | |
| 1.75½ | 1.54 | Nov. | 1.56 | 1.62¼ | 1.55½ | 1.62¼ | 1.40½ |
| 1.76 | 1.23¾ | Dec. | 1.56 | 1.63¾ | 1.56 | 1.62¾ | 1.38¾ |
| 1.81 | 1.49 | May | 1.60½ | 1.67¼ | 1.60 | 1.66¼ | 1.37 |
| 1.65 | 1.64½ | July | ..... | 1.65 | 1.64½ | 1.64½ | ..... |
| | | **Rye** | | | | | |
| .62½ | .52 | Nov. | ..... | .58¼ | .55 | .58¼ | ..... |
| .61 | .37½ | Dec. | .55⅝ | .58⅜ | .55½ | .58⅜ | .37¾ |
| .65 | .40 | May | .58¼ | .61⅝ | .57⅞ | .61⅛ | .40¼ |
| .61 | .37⅝ | July | [illegible] | .63 | .57⅝ | .61 | .40½ |

DEPENDABLE
THE ALBERTA PACIFIC GRAIN Co. Ltd.
LICENSED AND BONDED WITH THE BOARD OF GRAIN COMMISSIONERS

N. M. PATERSON & COMPANY LTD.
Own and Operate
One Terminal Elevator in Fort William
109 Country Elevators
Total Storage Capacity 6,925,000 bus.
31 Vessels on the Great Lakes
Total Carrying Capacity 4,500,000 bus. per trip
Head Office: FORT WILLIAM, ONT.

RELIANCE
GRAIN COMPANY LIMITED
Owners and Operators Country Elevators and Terminals
Exporters and Shippers
SMITH, MURPHY CO. INC.
510 PRODUCE EXCHANGE, NEW YORK
Head Office: 919 Grain Exchange, Winnipeg
Branch Offices: Toronto and Vancouver

McCABE BROS. GRAIN CO. LTD.
WINNIPEG, MAN.
Grain Commission Merchants — Shippers and Exporters — All Grains-Sacked Feeds
Country and Terminal Elevator Operators
Grain Merchandising
MANITOBA - SASKATCHEWAN - ALBERTA
Offices: DULUTH - MINNEAPOLIS

NORRIS GRAIN COMPANY
LIMITED
Grain Merchants, Shippers and Exporters
709 Grain Exchange, Winnipeg
NEW YORK CHICAGO KANSAS CITY TOLEDO
ST. LOUIS BALTIMORE LONDON LIVERPOOL

THE CANADIAN CONSOLIDATED GRAIN
COMPANY LIMITED
Operators of Country Elevators in Manitoba and Saskatchewan and Terminal Elevators at Fort William and Port Arthur
Grain Commission Merchants — Shippers and Handlers of All Grains
Head Office: WINNIPEG, CANADA

HALLET - CAREY - SWART
LIMITED
GRAIN - STOCKS - BONDS
Exporters - Grain Futures
Head Office — WINNIPEG, Man.
Branch — FORT WILLIAM, Ont.

DO YOU KNOW?
That this company makes the famous "Pioneer Profit-Proven Feeds." They comprise a range of 49 different feeds for poultry, hogs and cattle, in all stages of their production, development and finishing for market. Their value is recognized by successful "feeders" throughout the country.
PURITY FLOUR
Western Canada Flour Mills Co. Limited
Head Office, Toronto, Canada — Branches from Coast to Coast
Mills at Goderich, Winnipeg, Calgary

GRAIN MERCHANTS
RECEIVERS · SHIPPERS · EXPORTERS
Over 200 Country Elevators in Western Canada
Terminal Elevator at Port Arthur
Private wires connecting Offices across Canada with New York and Chicago
Executive Offices Winnipeg
EST. 1857
JAMES RICHARDSON & SONS
LIMITED

**Week in Mining**

# Drills Kindle Hope In South Kirkland

### Amalgamated Kirkland Gets Values in Two Holes Following Good Surface Results — May Have a New South Kirkland Break

Diamond drilling with two drill rigs is now being carried on at the property of Amalgamated Kirkland Mines in southern Kirkland following a new surface ore discovery, the first reported in Kirkland Lake for several years.

No. 1 shallow scouting drill hole put down below the original discovery trench returned a value of $14.70 across 0.9 ft., $3.50 over 2.7 ft. in contiguous sections at a depth of 80 ft. The discovery trench itself shows a length of 40 ft. averaging $8.35 per ton across a width of 2.56 ft., the highest individual assay being $31.15 across 1.5 ft.

What is believed to be the same shear was picked up 580 ft. to the southwest and a preliminary sample from a trench put down on this exposure assayed $9.40 across 2 ft. If this is the extension, it indicates possibility of opening up a considerable ore length. The new discovery shows typical Kirkland Lake conditions, while strike is northeast and dip about 71 degrees southeast.

* * *

## Kirkland Hunton Section

Amalgamated Kirkland was a consolidation of several old properties including the Canadian Kirkland and Kirkland Hunton. A recent hole put down to undercut the south part of the split Kirkland Hunton No. 1 vein has given an assay of $17.50 across 2.5 ft., indicating good ore chances in this part. Previous work avoided the favorable porphyry area where the drill cut ore in contact with the syenite formation.

* * *

## New South Break?

Formation of Amalgamated Kirkland was carried out on the theory of a south Kirkland break paralleling the present main break. Results so far obtained are definitely encouraging, but do not yet prove that such a break exists. In event of success in finding a major break, Amalgamated Kirkland should have good vein protection as it holds the property along the south boundaries of Macassa, Kirkland Lake and Teck-Hughes. Finances are being provided by Macassa, International Mining Corporation and Ventures, as an exploration bet.

* * *

## No Tax Ruling

The mining industry still doesn't know just how the Excess Profits Tax will be levied on mining. The only thing definite is assurance of the Dominion Government that the tax will be changed with respect to new mines. A committee is now in Ottawa endeavoring to reach some decision but it is pointed out as the tax does not become applicable until the 1940 fiscal year, further delay is possible.

The delay already experienced has been unfortunate. As long as the tax situation is not clear there is danger new mills will not be erected and old ones will not be expanded. The people at Ottawa have been busy with war but it is generally felt some ruling should be laid down.

* * *

## New Gold "Invention"

Every few months some new method or invention is advanced which it is promised will startle the world either by increasing the sources of gold tremendously or by making the metal more easy to recover. These claims have invariably been exploded with the possible exception of the magnetic survey. The latest invention is an "atom gun" to cost $750,000.

The "atom gun," to be constructed in California, will weigh 2,000 tons and is expected to result in the breaking up of the atom, something scientists have been working on for years. Evidently transmutation of metals is intended as a sequel to the breaking up of the atom. Of course there are other possibilities which are worth mentioning. Breaking up the atom may release such energy that all equipment employed would be destroyed. This possibility seems just as good to this writer as the chance that gold and radium will be produced in the laboratory.

## *Mill Financing Offered Senator*

Following opening of good grade ore at Senator-Rouyn, officials have received an offer from responsible interests to finance the property to production. Financing for present development was arranged recently. No action has been reported on the latest offer.

Drifting on the 500-ft. level, the farthest advanced, now shows 197.3 ft. of ore in one shoot averaging $12.25 uncut or $10.99 cut across 6.87 ft., with a second shoot of 23 ft. of lower grade. On the 375-ft. level 80.4 ft. of ore is showing in the east drift averaging $11.55 uncut or $10.18 cut across 8.41 ft. The west drift has 48.6 ft. averaging $15.19 uncut or $13.16 cut across 9.67 ft. Both faces are in fine ore.

# Record Output Ontario's Gold

### Previous Record Smashed as Higher Grade Ore Finds Treatment

Value of output from Ontario gold mines smashed its September record during October when production passed the $10 millions mark at $10,003,258 from 923,386 tons of ore. In September production had amounted to $9,199,820.

Increased output in October was due chiefly to treatment of a higher average grade of ore as tonnage milled per day was only slightly higher at 29,786 tons per day compared with 29,510 in September. The fact that October is one day longer than September helped establish the impressive October record.

**Away Up on 1938**

The output of over $10 millions in October, 1939, compared with recovery of only $8,492,455 in the same month last year. Of course a large part of the gain is attributable to the premium now being received on gold but tonnage milled also showed a gain from 852,757 to 923,386 tons.

In nine months of this year, output has approached $90 millions at $89,242,398 from 8,827,730 tons of ore milled against $81,720,587 from 7,866,334 tons for the same period last year.

**Ontario Gold Mines Output**

| | 1939<br>$ | 1938<br>$ |
|---|---|---|
| **Porcupine Belt:** | | |
| Jan. to June | 22,660,842 | 21,105,523 |
| July | 3,827,288 | 4,174,770 |
| August | 3,811,464 | 3,933,146 |
| September | 4,042,025 | 3,688,990 |
| October | 4,429,918 | 3,766,435 |
| Total | 38,771,537 | 36,668,864 |
| **Kirkland-Larder Belt:** | | |
| Jan. to June | 18,524,673 | 17,692,307 |
| July | 3,173,464 | 3,124,614 |
| August | 3,299,170 | 3,244,150 |
| September | 3,061,610 | 3,066,041 |
| October | 3,381,176 | 3,076,541 |
| Total | 31,440,093 | 30,203,653 |
| **Matachewan-Sudbury:** | | |
| Jan. to June | 1,566,294 | 1,294,529 |
| July | 258,086 | 227,394 |
| August | 224,136 | 253,996 |
| September | 328,771 | 250,362 |
| October | 275,107 | 250,128 |
| Total | 2,652,394 | 2,276,509 |
| **Northwestern Ontario:** | | |
| Jan. to June | 9,286,614 | 6,998,652 |
| July | 1,651,664 | 1,368,099 |
| August | 1,755,625 | 1,398,089 |
| September | 1,767,414 | 1,407,470 |
| October | 1,917,057 | 1,399,251 |
| Total | 16,378,374 | 12,571,561 |
| **Total for Ontario:** | | |
| Jan. to June | 52,038,423 | 47,091,011 |
| July, Aug., Sept. | 27,200,717 | 26,137,121 |
| October | 10,003,258 | 8,492,455 |
| GRAND TOTAL | 89,242,398 | 81,720,587 |

# Mining Enquiries

**Bulolo Gold Dredging** has declared an interim dividend of $1.50 per share payable Dec. 11, 1939, to shareholders of record Dec. 2; ex-dividend Nov. 30. Similar dividends have been paid semi-annually in each year, commencing June 10, 1937. Warrants for payment will only be mailed on Dec. 18, 1939, the interval being necessary for balancing the books and preparation of warrants.

* * *

**Chesterville** officials advise that production during first 15 days of November amounted to $44,590 from treatment of 7,791 tons of ore, representing a recovery of $5.72 per ton. This compares with $42,638 from 7,551 tons in the first half of October Premium on gold is included in both cases. Second level stopes supplied 85% of milling requirements, surface stockpile 9% and drift faces the remainder. The important development feature of the period was further extension of "A" ore body west on the 2nd level, bringing the ore area of the new section to 10,000 sq. ft., equivalent to 830 tons of ore per foot of depth. Sampling has yielded better than mine average results. Drifting in "A" ore body on the 3rd level has been carried both east and west of the shaft crosscut. Initial 52 ft. of advance east ran $7.07 per ton and the first 71 ft. to the west averaged $5.76 per ton. The same ore body has been reached by the shaft crosscut on the 4th level at 550 ft. vertical depth

* * *

**God's Lake Gold Mines** encountered a new ore shoot—the 2-9 in a raise in October and this ore shoot now shows a length of 165 ft. averaging .40 oz. gold per ton across an average width of 5.1 ft. The ore is above the mine average in grade.

* * *

**Jellicoe Mines** has completed milling of its first 3,000 tons of ore at the mill of Magnet Consolidated Gold Mines. Agreement has been extended on a slightly better basis for treatment of an additional 3,000 tons. Some time ago it was estimated there were about 7,000 tons of ore blocked out above the second level. Gross returns from the first 3,000 tons of ores shipped amounted to approximately $30,000 and it is estimated operating profit will be around $13,200 or $4.40 per ton. Charter of Jellicoe Consolidated Gold Mines, a predecessor company, was surrendered on Oct. 23, 1939.

* * *

**Kirkland Lake Gold Mining Co.** is reported to have all of its new equipment except a rod mill on the property and this is expected shortly. The mill is expected to be operating at its increased capacity of 400 tons by the middle of December.

* * *

**North Whitney Mines** is stated to be drifting westward from the north crosscut on its 225-ft. level toward diamond drill intersections which indicated an area of quartz porphyry. Drifting is also proceeding eastward from the south crosscut.

* * *

**Placer Development** has declared an interim dividend of 60 cents a share in Canadian funds applicable to the year ended April 30, 1940. Dividend is payable Dec. 11, 1939 to shareholders of record Dec. 2.

**Week in Oils**

# West Turner Water Minor Problem

### Assert No Fear of Salt-water Moving Any Great Distance Up Flank, Turning Oil to Water Wells — Lloydminster is Active

From Our Own Correspondent

CALGARY.—A small showing of salt-water has become apparent at Turner Valley's deepest crude oil producer, more or less clearly defining the oil-water line, but not overly alarming company and government petroleum engineers.

There being no "water-drive" on the Turner Valley structure, according to engineers, there is absolutely no fear of salt-water moving any great distance up the flank and turning oilwells into waterwells. The small water intrusion was noted last week at Royal Canadian No. 3, the field's deepest well, brought in early in October with a heavy oil flow from the upper porous lime.

## Water Not Serious

The water percentage is small in relation to the amount of oil presently being produced (350 to 400 bbls. daily) and is not sufficient to affect seriously the well's operation. The water percentage will gradually increase as oil is drained from the formation adjacent to the well, but the well is expected to remain a commercial producer for a long time.

Tests made at Okalta 6 and Scottish Pete, wells drilled somewhat lower on the West Flank than Royal Canadian and which tapped the water area, showed geologists conclusively that there is no "water drive" in Turner Valley. This being the case, water is not expected to rise up the flank any great extent, there being no pressure other than expansion of the water itself forcing the fluid up structure to take the place of oil and gas drawn from the formation.

* * *

## Situation Explained

Explaining this expansion of water, petroleum engineers advise there was originally a rock and gas pressure of about 3,000 pounds per square inch in the structural trap formed by the Turner Valley limestone. This heavy pressure brought about certain compression of water underlying oil and gas on the west flank of the anticline.

Decline of pressure as oil and gas is withdrawn is gradually restoring the water to normal volume. Engineers estimate the water will ultimately expand an average of some 50 feet up the flank for every mile in width of the original water area. Width, of course, is measured parallel to the surface of the limestone. Because it is not known exactly how far to the west the Turner Valley structure extends before being cut off by a major fault, the width of the water area cannot be determined accurately.

Engineers are of the opinion that, at most, the area is not more than a few miles in width. On this basis the maximum average movement of water up the flank will not be more than 200 to 300 feet, and probably less.

* * *

## To Affect Few Wells

Because pressure withdrawal is not uniform along the entire flank, the water will have a tendency to move farther up the flank at points where oil and gas withdrawal has been heaviest. It is unlikely, however, according to engineers, ever to reach more than a few of the wells now on production.

The irregular movement of the water-line up the flank is illustrated by the fact there has been no show of salt water to date in the lower porous zones at Anglo-Canadian No. 5 (in South Turner Valley) and Home Millarville No. 2 (in the north end), although these horizons at these wells are structurally lower than the upper porous zone from which Royal Canadian is showing water. It may be a long time before water shows at either of these wells.

* * *

## Structural Depths

The deeper Turner Valley wells and their approximate elevation to the limestone contact (in feet below sea level) are as follows:

| | |
|---|---|
| Royal Canadian 3 | 4,107 |
| Home-Millarville 2 | 3,962 |
| Anglo-Canadian 5 | 3,960 |
| Royalite 43 | 3,909 |
| Extension Oils 2 | 3,798 |
| Anglo-Canadian 4 | 3,796 |
| Anglo-Canadian 6 | 3,779 |
| Royalite 42 | 3,725 |
| Anglo-Canadian 1 | 3,640 |
| British-Colonial 1 | 3,622 |
| York Oils 2 | 3,618 |
| Intercity Royalties | 3,614 |
| Extension Oils 1 | 3,593 |
| Royalite 39 | 3,478 |
| East Crest 4 | 3,462 |
| Consolidated 1 | 3,435 |

* * *

## Lloydminster Active

The Vermilion-Lloydminster area in central-eastern Alberta was back in the limelight this week with completion expected at any time of two more wells. The Vermilion-Franco No. 1 well, near Vermilion, drilled into the top of the lower cretaceous sand this week at 1,610 feet, encountering a gas flow estimated at 6,000,000 cubic feet daily, together with a show of crude oil. Drilling is proceeding deeper into the sand with completion expected in a day or two.

In the Lloydminster area, Highwood Sarcee Oil Co.'s Blackfoot Hills test entered the top of the lower cretaceous sand at 1,860 feet and is now drilling below 1,900 feet with completion expected at any time. It is understood favorable showings are being obtained. The lower cretaceous, a sand overlying the Devonian limestone strata, is the horizon from which commercial production of heavy gravity crude is now being obtained in the Lloydminster-Vermilion area.

**Lapa Cadillac Gold Mines** has cancelled its agreement with Sudbury Contact Mines which called for option on 78,175 shares at 40 cents a share exercisable in three monthly installments, on Nov. 18, and Dec. 18, 1939 and Jan. 18, 1940.

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## *Bar Stadacona From Trading*

Shares of Stadacona Rouyn Mines have been suspended from trading on the Toronto Stock Exchange pending investigation into the company's affairs.

According to Roy Anderson, president of Stadacona, the company's refunding convertible notes have been overissued and there are not sufficient shares remaining in the treasury for conversion purposes. Corrective steps are being taken, he says.

Mr. Anderson reports that mining operations are continuing uninterrupted and action is being taken to protect equities of shareholders and note holders.

## N. B. Gas and Oil Fields Brings in Large Well

From Our Own Correspondent

MONTREAL. — New Brunswick Gas and Oil Fields reports a new gas well has been brought in in the Stony Creek field. It has tested at a volume of 1.3 million cu. ft. daily.

The new well, drilled in the ordinary course of operations in the area, will not be used at present. As is the custom in the season when more gas is required, it will be held in reserve. Officials of the company made the announcement of the new well, adding that it assures an adequate supply for the Moncton area.

## Taber Sunrise Syndicate Plans to Drill First Well

An offering of 70, 1% net royalty units of Taber Sunrise Syndicate is being made at $750 per unit to finance drilling of a first well on 560 acres held on the Taber structure in Alberta. If all units are not sold by April 1, 1940, subscriptions are to be returned less 10% commission.

The Cole-Hunter well, previously drilled on this acreage gave evidence of commercial oil possibilities but was abandoned after tools had been lost and the drill pipe became stuck. Cost of drilling a new well to 3,500 ft. is estimated at $10 per foot.

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# What's Holding Back the War Orders?

(Continued from page 11)

thing to do with the present situation. Up to a few months ago, officials in Britain were embarrassed by three things:

1. There was no assurance that, if war came, Canada would be in it; that she would not ban munitions exports from Canada as essential to the preservation of her neutrality.

2. Canada's official attitude was one of non-co-operation with Britain in placing war orders here. In September, 1936, for instance, Hon. Mackenzie King wrote in a letter to Hugh Plaxton, M.P., in connection with the Bren gun deal, that "it would be necessary, of course, to see that it was clearly understood that such orders as were obtained were at the instance of the firm itself and not either directly or indirectly at the instance of the Government of Canada."

The King Government attitude had very clear expression in the first proposals for the air training scheme which were made two years ago. The British proposal then was that Canada permit her to open recruiting offices in Canada and train pilots here at Britain's expense. Canada declined to agree on the ground that it would not do for the Government of any other part of the Empire to be recruiting and training here. If anything were to be done, Canada would do it, was the reply. Observers, of course, saw a careful consideration for the tender susceptibilities of Canadian isolationists.

A pale shadow of the original scheme was then turned out under which Canada agreed to examine and send to Britain a small number of trainees each year. The British Government accepted this deal as the best available.

3. The only official co-operation lent by Canada to Britain in a joint war order was in connection with the Bren contract, where there was political favoritism. In that instance the British felt that Ottawa had led them down the garden path.

## Industry Takes a Hand

Finally Canadian manufacturers took a hand. They decided to send their own mission to Britain and they virtually forced the hand of the Cabinet to get representatives of the Department of National Defense to accompany them.

They found the British authorities exceedingly anxious to meet them and talk to them. They came back with a few limited orders. But they were told by one of the highest authorities something to this effect:

"Gentlemen, we were desperately worried about the munitions situation a couple of years ago and we should have welcomed very much the opportunity of co-operating with the Canadian Government in building up shadow plants in Canada; in placing educational orders so that there would be a secondary source of supply across the Atlantic if war came and bombing raids seriously interrupted production here. Moreover, we were afraid that we could not possibly speed up our preparedness programme if we relied only on our home plants.

"Now the situation has changed. We have been able to accomplish wonders with British industries. We have so increased the capacity at home that the urgency to look abroad for supplies has practically disappeared. We are glad to consider Canada as 'insurance' but we can turn out all the shells, guns and other munitions we are likely to need. If we place orders with you in Canada we may actually be depriving our own plants and workers of employment."

Nevertheless the British did send a commission to Canada to survey our plants. This was Sir James Rae's commission.

The record is plain that Ottawa dilatoriness, when Britain was looking to us with desperately pleading eyes, is something of a factor in the present situation. Canada did not seize the opportunity when it was open to her and now—with British plants producing at a prodigious rate while fighting services are using up supplies at a very meagre rate — the opportunity and the need are not so pressing.

Dollar value of war contracts awarded in Canada on behalf of the Canadian Government is stated by the Minister of Finance, Col. J. L. Ralston, to be around 45 millions. This amount is understood to comprise many hundreds of separate contracts for the supply of uniforms, boots, underwear and a score of items down to toothbrushes for Canadian troops, plus various types of mechanical equipment. Not a single shell order, it is understood, is included on the Canadian list so far.

Added to Canada's war outlay to date is another $25 millions for railway equipment. Additional orders are being placed but an estimate of the expenditure required to fully train and equip Canada's forces on the scale now undertaken is not available.

## Air Training Plan

The Empire air training scheme on which Canada has completed her part of the negotiations, and is now awaiting final British acceptance, is not expected soon to result in war orders on anything like the scale indicated by the originally announced $700 millions calibre of the project.

It is understood the scheme will retain something approximating the original announcement —the training of 25,000 Empire pilots—but that this will represent a potential achievement, and that the scheme will commence on quite a modest basis indeed.

Hence drastic downward revision of early estimates of expenditures on the air training scheme is clearly indicated.

Much the most important contribution Canada has so far made to the Allied cause is in various kinds of raw materials and in credits.

Britain has made it very clear to the Canadian Government that one of the biggest ways the Dominion can help is in the provision of credits for the purchase of supplies and materials on this continent. In the last war Britain was able to get practically unlimited credit for purchases in the United States. Under the new neutrality legislation, everything must be paid for, cash on the line.

For some years Britain has been building up a very large store of gold in this country. Repatriation is the main way, however, by which Canada is helping Britain with credit. So far, it is understood, less than $100 millions of Canadian securities in Great Britain have been repatriated.

"Canada is taking no niggling or cheeseparing attitude in the granting of credits," one Government informant said. "At the same time, good business practice is being followed and the future interests of the Dominion are not being forgotten."

Allegations that one reason for delay in the placing of British orders resulted from arguments on cash versus credit are authoritatively stated to be without foundation. Canada has definitely adopted the granting of credits as one of her chief forms of aid to the United Kingdom.

The total volume of "war business" for Canada so far has been very roughly estimated at over $150 millions. To some extent, of course, some of this amount would have gone through in the normal course of peace.

An estimated $70 millions worth of copper, lead and zinc has been bought by Britain from Canadian producers. It is understood that some $28 millions of lead and zinc is to be sought annually while the war continues. The price paid for copper is about that prevailing in the days immediately prior to war; lead and zinc prices are understood to be slightly better than the prewar rates.

This is metal which Canadian producers would have been unable to sell in any case, so does not represent any addition to the volume of Canadian business.

For Britain the advantage of these deals is that she gets an adequate assured supply of metal at a very moderate and relatively fixed price. For the Canadian producer, the advantage is a stabilized supply and price structure and riddance of the wartime difficulties of securing enough high-cost shipping.

The United Kingdom is buying a very large amount of lumber from Canada—mostly from the Pacific coast. Trade figures show that Canada's exports of lumber to Britain have doubled since the outbreak of war. Lumber exports to the United Kingdom in October totalled over $3 millions.

## Deal on Wheat

Wheat is another vital supply Canada is selling to Great Britain. Lengthy negotiations between the two Governments have eventually reached a conclusion believed satisfactory to both sides. Scarcity of shipping, problems of greater immediate importance and other factors tied Britain's hands during the early weeks of war and her wheat-buying was virtually at a standstill in Canada as elsewhere.

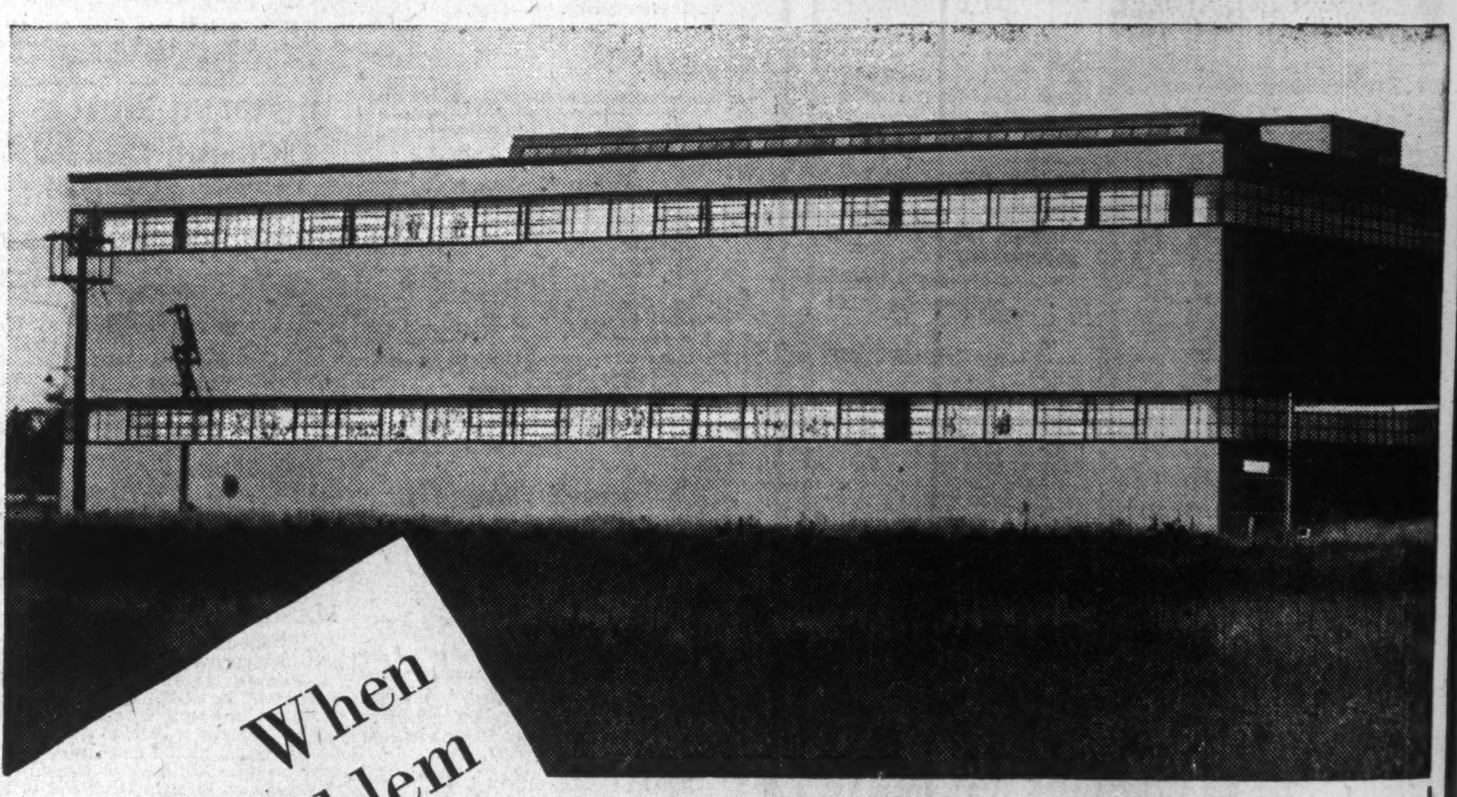
How much Britain will eventually buy and at what price is not divulged, but Britain is believed now to have begun buying Canadian wheat in substantial quantity.

Movement of wheat from Great Lakes ports in the past two weeks reached 50 million bushels, the biggest movement of wheat in Canadian history. Canadian exports of bacon to the United Kingdom have been running near an all-time high.

## Contrast With 1914

A broad foundation for general business improvement existed in Canada prior to the outbreak of war. This is a striking contrast to August, 1914, when all business signs were pointing the Dominion into depression.

Since the outbreak of war Canadian business has shown sharp gains in nearly all respects—a gain much larger than was anticipated by the most sanguine of informed observers. Some of this improvement is due to the normal fulfillment of favorable factors, such as the bumper wheat crop. Much of it is due to increased activity from purchases directly or indirectly occasioned by the war. Some of it is doubtless due only to anticipated activity on war orders.



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# Base Metals Get Preference

## Lead Investment Portfolios in Financial Post Contest — Golds Third

By GORDON M. GRANT
Staff Writer, The Financial Post

Base metal mining is a most desirable field for investment entrants in The Financial Post's "Investment in Wartime" contest decided. According to a tabulation of common stocks mentioned five times or over base metal led with 253 against 214 times for the steel companies, which constituted the second highest group.

Gold mining—representing the financial munition of wartime—secured third place, surpassing all fabricating and raw material producing groups except the two above with a count of 120. Numerous other entrants also favored the gold mining industry but preferred to await further clarification of war effects upon it before making a commitment.

### Why Base Metals Preferred

A number of reasons were given by the $50,000 investment contestants for preferring base metal issues. Several pointed out that base metal issues have not experienced the rise which has taken place in industrial issues, having fallen back somewhat from peak war prices.

Many writers pointed out that this country has been singularly fortunate in possessing a number of very important base metal enterprises. International Nickel was called the most important mining enterprise in the world. One entrant preferred manufacturing stocks to mines "until the outlook is clearer for raw materials," but made an exception of International Nickel, "partly because it is more than a mining stock—it is an institution—and partly because its vital products are bound to receive attention sooner or later —probably sooner."

Non-ferrous metal producers were seen as a group whose development and prosperity were assured during either war or peace. Increased profits would more than offset higher taxes, a number suggested. Possibilities of capital appreciation were considered good for all the larger base metal issues although one writer believed that Noranda's large gold output might retard the expansion of its profits during the war. Of course some contestants were writing before fixed base metal prices appeared certain.

One man pointed out his belief in Canadian mining generally in this marked way: "It is my opinion that mines in Canada will be worked even if it necessitates manning them with soldiers—this war must be paid for and from the earth is the first place to get the increase in wealth. I am not afraid of mines, we have them in this country equal to any in the world."

His statement may be very close to the truth. The writer has been told that even women may be used in our mines during the war if a real shortage of labor should occur. There are many jobs which women could do without serious risk to their health.

### Stresses Qualifications

While most contestants confined themselves to remarks on present trends and data on particular mining isues, one entrant laid down three requirements which a mine should pass before becoming eligible for inclusion in his $50,000 investment portfolio. These requirements follow:

1. The quantity and grade of proven ore reserves should be adequate and satisfactory in relation to costs.
2. The financial position of the company should be strong.
3. The management should be experienced and sound.

In simple terms, he expressed three good rules for mining investment, neglect of any one of which could be serious to the mining investor. Speculators, however, may condemn the first rule as preventing new mines from ever being opened up, but then the contest was basically for investment and not speculation.

### Gold Views Differ

The gold mining industry was one field where contestants failed to reach full unanimity of opinion. Over half the entrants, however, included gold stocks in their portfolios; a considerable number wished to postpone action either until the present outlook cleared or until after the war; and some made no mention of gold issues at all, such as the man who placed all his portfolio in insurance.

Proponents of gold mining investments usually had quite decided beliefs. Just a few quotations will illustrate this point.

Contestant No. 1:

"The equity of a good gold mine is the very best safeguard against the risk of inflation....It (gold) is the most convenient medium the Government can obtain for producing foreign credits and nothing is likely to be done to discourage its production."

Contestant No. 2:

"Monetary changes in world finance could make them or break them (gold stocks). But the (gold) price has been revised upward many times in history and only rarely down, and the trend of circumstances now, to say the least does not point to lower prices. Higher operating costs—and this is a sure thing in wartime—are being taken care of by the higher price of gold at New York, and has every chance to continue."

And contestant No. 3:

"Our senior gold mines have now such large ore reserves that selective mining can completely offset any moderate increase in costs. ...Gold can no longer be considered as fixed in price. Since the beginning of war Canadian gold mines have been receiving $38.50 an ounce instead of $35 and inflation prospects make a further rise a long run possibility. Canadian gold stocks although few in number actually showed a 25% appreciation between 1914 and 1918 and with the tremendous growth of ore and cash reserves between 1914 and 1939 can be expected to give a similarly encouraging performance."

Even the individuals who wished to delay purchase of gold stocks usually recognized their possibilities. The quotation below is typical:

"Shares of gold producers other than Noranda have been omitted pending clarification of the situation with regard to taxes and mining costs. It should be realized, however, that gold stocks are potentially attractive at this time as they represent the material essential for the maintenance of exchange rates in the face of extensive purchasing abroad. Moreover, they constitute one of the best of all 'inflation hedges' and if past experience is any criterion should form an excellent medium with which to ride the inevitable depression following any war boom which may develop. At some future date circumstances are likely to suggest a switch into golds of a portion of the funds now otherwise invested and the investor should keep this in mind."

## Stock Opinions

**Answers to The Financial Post's contest for Investing in Wartime reveal a high regard for shares of Canadian mining companies. While portfolios submitted covered a wide range of mining securities, contestants' remarks on mining issues were largely confined to a limited number of senior stocks. Representative quotations are given below.**

"In base metals, the Canadian investor is particularly fortunate in having such diversified producers as Noranda and International Nickel to tap. Noranda's ability to fluctuate its ratio of copper-gold production to suit price changes in both these metals is well known. Inco's dominance in the important field of nickel and associated metals is a tremendous advantage, and at the same time, due to the extensive research this company has carried on since the great war, there is reason to believe the dislocation involved in a sudden cessation of hostilities would not have the same disastrous effect now as twenty years ago."

* * *

"The virtual monopoly enjoyed by International Nickel, the wide diversification of Consolidated Smelters and the flexible qualities of Noranda's rich copper-gold ores are factors suggestive of continued profitable operation."

* * *

"McIntyre has substantial ore reserves of higher value than those currently being milled. This factor, plus the premium on United States funds, should go a long way to offset any rise in costs. With its strong financial position the current rate of dividend and bonus should not be in danger."

* * *

"There is nothing sensational in the outlook for either Nickel or Noranda but, at the same time, there have been only about two years in the last decade when these stocks could be bought to yield over 4%."

* * *

"The shares of Noranda Mines give the holder the opportunity of participating in the wartime prosperity of the copper mining industry and the peace-time prosperity of the gold mining industry. This company is not dependent on one mine alone and has shown great ability in bringing prospects into profitable production."

* * *

"International Nickel, Hudson Bay, Noranda—all have proven years of earnings behind them, ore reserves are tremendous and satisfactory dividends are being paid. In addition a most desirable factor is that we may purchase these stocks today for a price which is undoubtedly on a sound peace-time basis. There is as yet, no inflation of prices in anticipation of a wartime boom."

* * *

"Against the possibility of further devaluation three senior golds, Dome, McIntyre Porcupine and Wright Hargreaves, have been selected, dividends on which are payable in United States funds. ......No well-diversified list of equities would be complete without some gold stocks, at an attractive yield."

# Uchi Results Are Improved

## Recovery Increased to $8.96 a Ton First Half November

Higher average and total recovery are now being achieved by Uchi Gold Mines with 7,700 tons of ore milled and average recovery of $8.96 in the first half of November indicating production of just over $70,000 for the period. Extraction has been improved from 91.5 to 95% of gold content of the ore and operating costs have been reduced to $4.67 a ton.

Production of just over $70,000 in the first half of November compares with output of $112,000 from 15,500 tons of ore for an average recovery of $7.22 a ton in October and $107,500 from 14,450 tons in September. Extraction was formerly being kept down by organic material in the water supply and lack of adequate heating facilities but both these have now been remedied.

### Opening New Ore

New ore is being added by development on all levels, the management reports. Solution of a geological problem at the 100-ft. level is stated to have resulted in a large addition to ore reserves with greatly added widths and values. Stoping length in this section has been increased to 500 ft. from the 150 ft. in three short shoots previously opened up. To the south on this level, ore has been picked up past a block fault and drifting has been carried to the east in ore for some time.

On the 300-ft. level, the 335 stope has been extended to the north and is now 500 ft. long compared with 400 ft. reported previously. The ore is stated to be exceptionally good grade with widths running 15 to 20 ft. Two other stopes have been opened up on this level with lengths of 200 and 240 ft.

The 450-ft. level has one stope with a length of 530 ft. with the ore running 10 ft. wide. A stope is also being opened to the south with a length of 100 ft.

At the 600-ft. or bottom level, a stope has been opened for a length of 80 ft. on what appears to be the apex of a new ore body. Diamond drill holes put down below the level have given a considerably greater ore length and higher values. Previous work to the south proved to be off structure and drifting in this section has been in ore for approximately three weeks. At last report the north face was still in ore with values also indicated by drilling 50 ft. ahead of the south face.

Shaft sinking has reached a depth of over 950 ft. Development plans call for continuation of drifting to the south on the 300, 450 and 600-ft. levels to get under ore sections indicated from surface. Approximately double the tonnage of ore milled is now being broken and a large reserve of broken ore has been built up.

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### Argus Interests Reports Assets of 82c Per Share

On Aug. 31, 1939, assets of Argus Interests were equal to 82 cents a share, taking securities at market value, states Godfrey S. Pettitt in the company's first annual report. Assets totalled $1,026,933 comprising $56,468 cash, $3,183 accounts receivable and $967,282 in shares of other companies with market value, $784,000.

Of $967,282 in stocks, 60% is Canadian dividend paying mining stocks, 7% dividend paying industrial stocks, 8% American oil stocks and 25% miscellaneous non-dividend paying stocks.

A surplus of $1,585 was carried forward for the year after deducting investment losses of $12,928 from net income of $14,513.

### Slave Lake Gets Tungsten In Sampling Bottom Level

Sampling of the 425-ft. or bottom level of Slave Lake Gold Mines, the poorest for gold values, has returned an average of 1.45% tungsten trioxide for the full drift length of 189 ft, it is stated. Both ends of the drift are in ore, the west face averaging 1.02% and the east face 2.20% tungsten trioxide.

Tungsten trioxide is now selling at $25 per unit of 20 lb.

From results obtained, officials have decided that tungsten deposition is unrelated to gold concentration which became poorer with depth. Although widths are narrower at the 425-ft. horizon, the best values have so far been secured at this depth. Assays of results on the 200 and 325-ft. levels are now being completed.

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# Central Manitoba Concludes Option

## New Claims Are Southwest of Original Group —Lardego Active

From Our Own Correspondent

WINNIPEG. — William Hurst, president of Central Manitoba Mines, has confirmed the taking of a six months working option on a claim group two miles southwest of the Old Central Manitoba property. These claims comprise the Walton, Quesnel, Hall and Onondaga. On the Onondaga a five stamp mill was in operation for a time and a considerable amount of work was done on a rich surface showing.

Recently the re-aligned group, which takes in about 11 claims, was examined by A. J. McLaren, and it was on his report Central Manitoba decided to take the working option. Mr. McLaren will be in charge of work, which will consist of stripping, trenching and diamond drilling. He is acting in the place of John Drybrough, director and consulting engineer for the company, who has not yet recovered from a plane accident in Patricia last summer.

A power line runs across the property and there are ample camp facilities for starting work immediately.

This, together with the information that Lardego Gold Mines has purchased the Moose property five miles south of San Antonio mines, is stirring up renewed interest in the area generally. A gold vein has been traced by former operators for 1200 ft. over the Moose property, some running better than an ounce of gold over 5½ ft. for a length of 220 ft. A shaft was put down on this vein, know as the Moose vein, to a depth of 100 ft. and some lateral work carried out at that horizon.

# O'Brien Reserves At Record Level

Ore reserves at O'Brien Gold Mines are now the highest on record, shareholders were informed by J. A. O'Brien, president, at the company's annual meeting in Montreal on Nov. 24. Diamond drilling was also stated to have indicated possibilities of another high-grade section in No. 4 vein above and below the 2,000-ft. level.

### Ore in No. 1 Vein

Drifting to the east from the shaft has partially developed an ore shoot in No. 1 vein 200 ft. on the 1,000, 1,250, 1,375 and 1,500-ft. levels. Diamond drilling has outlined the vein at the 1,125, 1,625 and 1,750-ft. horizons.

Development of the No. 9 vein east of the shaft from the 1,500-ft. level down shows a length of over 200 ft. grading 0.34 oz. with the width better than in the previous ore sections. Indications are stated to be for a 7-ft. vein width which should make for low mining costs.

---

**Payore Consolidated Mines** completed an agreement with J. M. Brewis on October 19, calling for purchase of 200,000 shares at 7½ cents per share and an option on a further 1.3 million shares as follows: blocks of 100,000 shares each at 7½, 10, 12½ and 15 cents per share payable $5,000 monthly commencing December 19, with balance at 17½ to 50 cents per share, payable $7,500 monthly for approximately 12 months and thereafter $10,000 per month. Authorized capital is 3.5 million shares with 2,068,000 issued.

# Mining Enquiries

### Concordia Porcupine

Some time ago I understood Concordia Porcupine was to be reorganized but I have heard nothing since. Can you tell me what happened?

Concordia Porcupine Gold Mines has completed sale of its properties to a new company, Acordia Porcupine Gold Mines, on a one-for-three share exchange basis with the new shares issued held in pool. Financing arrangements have been completed on shares of the new company but details of the deal have not been released.

Work is scheduled to get under way on the property within the next month. In previous work, a shaft was sunk to a depth of 158 ft. and drifting was carried out on the 125-ft. level. One length of 54 ft. opened was reported to average $33.78 per ton. A small 10-ton test mill is on the property.

### Pamour Porcupine

What is the situation at Pamour Porcupine Mines?

Some surprise was occasioned in Canadian financial circles when Pamour Porcupine Mines failed to declare a dividend for the last half of 1939. The company had previously paid a dividend of 8 cents a share on June 1, 1939, following an initial dividend of 12 cents a share on Nov. 1, 1938.

Evidently lower profits have caused the failure to pay a dividend. Earnings for the six months ended June 30, 1939, amounted to 7 cents a share against a profit equal to 27.9 cents a share for the full year 1938. This drop in the rate of profit is attributable to a decline in the average grade of ore treated from $6.43 for all of 1938 to $4.47 a ton for the first half of 1939. Ore reserves are very substantial with over three years' ore available at the end of last year.

A big exploration programme has been carried on in 1939 and no doubt development rock has been partly responsible for decline in the average grade of ore treated. The development may, however, result in a substantial increase in ore reserves if results have been favorable.

Big development programmes cost money and no doubt this has been one of the factors holding down the profit in the present year.

### O'Brien

What earnings has O'Brien Gold Mines been showing in recent years and how much has been distributed? Is the company capably managed?

O'Brien Gold Mines showed a net profit equal to 16 cents a share in the fiscal year ended Sept. 30, 1939, compared with 17 cents a share in the previous fiscal year. Dividends were commenced on Feb. 1, 1939, when a payment of 10 cents a share was made. A second payment of 10 cents was made on Oct. 16, 1939.

Management of the company is in the hands of the O'Brien interests of Ottawa who have had long experience in Canadian mining. History of the company was relatively uneventful until spectacular high-grade ore was discovered in 1936. While the company's present position shows great improvement over that time, many people have been disappointed the company has not been able to show higher earnings. This has been due chiefly to somewhat limited nature of the high grade ore occurrence but a considerable tonnage of lower grade ore opened up has proved of great benefit. Ore reserves on Oct. 1, 1939, showed an increase of about 30,000 tons over those reported a year previous and were equal to about three years' milling requirements.

### Perron Raises Bonus

Directors of Perron Gold Mines have declared an extra dividend of 3 cents a share payable along with the regular quarterly dividend of 4 cents a share on Dec. 21, to shareholders of record Dec. 1, ex-dividend date on the Toronto Stock Exchange is Nov. 20. Extras of 1 cent a share each were paid with two previous quarterly dividends in December, 1938, and September, 1939.

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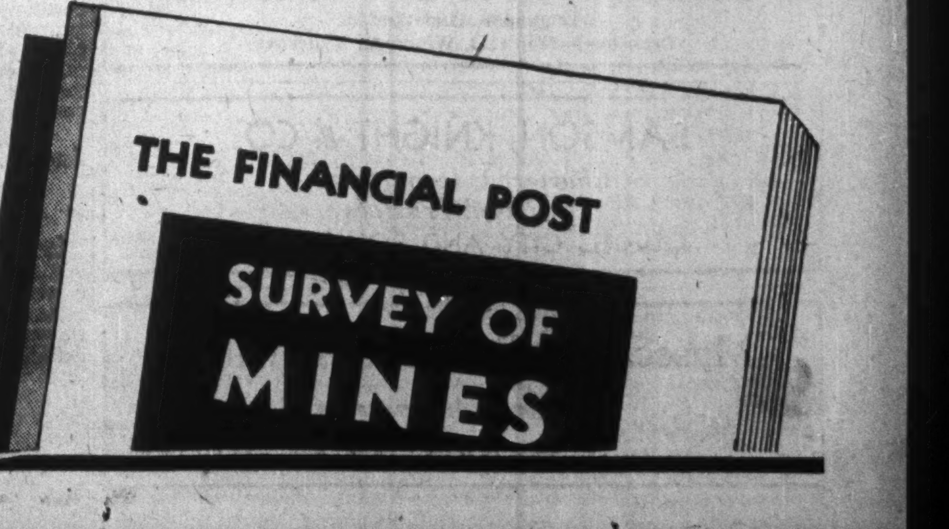

# Enthusiasm for Regulation Wanes in Coast Province

From Our Own Correspondent

VANCOUVER. — British Columbia's Government which has made many incursions during the past few years into the realm of business and industrial control through new regulatory legislation, public utility administration and other devices, is apparently growing sensitive to the fact that these policies are leading to the inevitable result of higher costs.

It came as a jolt to some of the province's law-makers that shipbuilding costs on the Pacific coast were found to be 20% higher than those in the East, even though it is expected that British Columbia shipyards will share in wartime contracts on a fairly extensive scale.

Now the Government is exhibiting a tendency to go slow on regulatory measures. An indication of this new attitude is seen in refusal of the legislature to give support to the proposal of building and construction trades for licensing contractors. The industry itself regarded the plan as an enlightened method of policing its own ranks, but it was evidently introduced at the wrong psychological time when opposition to additional controls and restrictions was fast mounting.

Another indication of the trend has been the lukewarm feeling of the Government toward early adoption of a health insurance scheme until such time as a national programme has been worked out, despite the coaxings of labor and the C. C. F.

However, the Government apparently is disposed to give some support to measures discouraging loss leaders in the retail field by extending the list of prohibitions to food products and some other items. In addition, it seems probable that the necessary amendment preventing wholesale houses from invading retail fields will be adopted.

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# Brit. Columbia Revenue Down In Six Months

## Fixed Expenditures Take Large Percentage of Revenue

Fiscal results of the British Columbia Government in the current year are likely to be less favorable than in the year ended March 31, 1939.

In presenting his fourteenth budget to the British Columbia legislature, Hon. John Hart, minister of finance, reported that revenues in the first six months of the current year totalled $16.1 millions, a reduction of about $1.7 million as compared with the same period last year. Income tax collections were down $2.4 millions but this was offset in part by increased collections from succession duties, liquor profits, timber royalties and other sources.

### Expenditures Down

Expenditures for the period totalled $13.4 millions, a reduction of $2.3 millions. However, expenditure figures are not entirely reliable since they do not include large amounts either unposted or unpaid. Furthermore, the apparent decrease is mainly due to the fact that a debt payment of $2 millions was made from current revenue in the preceding year.

Current revenues in the year ended March 31, 1939, totalled $32.6 millions, and current expenditures to $28.6 millions, leaving an ordinary surplus before relief costs of about $4 millions. Current expenditures included $751,000 for debt retirement. The provincial share of relief costs was $4.5 millions.

### Forecasts Small Surplus

In presenting his budget for the 1940-41 fiscal year, Hon. John Hart followed his usual practice of giving conservative estimates of revenue. Revenue for 1940-41 is estimated at $29,300,141, and ordinary expenditures before relief costs at $29,268,791, leaving an estimated surplus of only $31,350. If the experience of recent years is repeated, results will be much better than estimated.

In dealing with estimated expenditure, Mr. Hart stated: "The aggregate cost of fixed and semi-fixed charges is $20.4 millions, or 69% of the total anticipated revenue. The balance of $8.9 millions left for general administration and general governmental services, obviously does not permit major adjustments as all these services to a greater or lesser degree continue.

"Everything is done to ensure the adequate development of the province, the conservation of natural resources and the provision of satisfactory services. The margin of controllable expenditures, however, is indeed limited."

### Debt Increases

Gross debt of the province on Oct. 1, 1939, was $188,193,049. This includes $143,950,326 of bonds and debentures and $40,119,668 of treasury bills. Of the latter $33,503,762 are held by the Dominion Government.

Sinking funds at Oct. 1 amounted to $36.1 millions so that net debt was $152 millions. This is an increase of almost $3 millions over a year ago.

Sinking fund installments paid in 1938-39 totalled $224,000. The deficiency in sinking fund appropriations now totals more than $15 millions. However, as the budget speech points out, British Columbia, in relation to its debt, has a larger sinking fund than other provinces.

### Relief Costs Decline

Relief costs in British Columbia since the deginning of the depression have totalled $79.9 millions. Of this amount, $42.3 millions has been paid by the province, $27.3 millions by the Dominion Government and $10.3 millions by the municipalities.

Gross cost of unemployment relief in 1938-39 was more than $7.8 millions, a decline of $851,000 from the previous year. The Dominion contributed $2.4 millions toward this cost and the province $4.5 millions.

Through the transfer of unemployables to relief lists the costs of the municipalities for such purposes were reduced. This year there will be a further reduction due to the larger share being paid by the Dominion and Provincial Governments.

### No Tax Changes

The finance minister announced it is not proposed to alter the provincial tax structure at this time. "The Government," he said, "desires to avoid imposing on industry any levies which might retard expansion or impede either domestic production or the production of raw or fabricated goods needed to bring to an early conclusion the conflict in Europe."

### Provincial Rights

He also said consideration of readjustments in fiscal relations between the province and municipalities must be held in abeyance pending adjustments in Dominion-Provincial relations arising out of the report of the Royal Commission on Dominion-Provincial Relations.

Mr. Hart indicated the question of provincial rights would not be raised during the war, and that British Columbia has definitely declared a "wartime truce" with Ottawa on financial policies.

"Although sundry measures adopted recently at Ottawa tend to encroach further into a tax domain looked upon as a provincial prerogative," said Mr. Hart, "these measures will not be challenged and the question of provincial rights arising therefrom will not be raised until the end of hostilities.

"Let us forget all that is petty and partisan and rally to the call of the national Government and our Empire leaders, and help them to the fullest extent in the effort to bring the war to a speedy and successful conclusion."

# Invest. Bond & Share Income Down Slightly

From Our Own Correspondent

MONTREAL. — Investment Bond and Share Corp.'s revenues for the current year to date are down somewhat from the same period last year. However, it is too early to make any definite forecast as to what is likely to be the outcome for the full year. In 1938 the company had a gross revenue of $94,289 and after payment of debenture interest and other expenses, there was a deficit of $24,120.

# Gold Need Persists

## Analyst Finds Little or No Likelihood Of Satisfactory Substitute Being Found

By DRAPER DOBIE

*Mr. Dobie is senior partner in the Toronto stock brokerage firm of Draper Dobie & Co.*

A great many people are wondering how the future usefulness and value of gold can be maintained when so many nations have so little gold available and one nation has so much.

The United States has some $17,000 millions of gold on hand, of which at least $12,000 millions is unemployed. Fears are frequently expressed that such a withdrawal from actual employment of so much gold will result in finding some alternative medium as substitute for purposes formerly served by the yellow metal.

Gold has been entrenched for 6,000 years as the one substance of constant, continuing or increasing value, and it is unlikely that it will ever be replaced or substituted for by any other.

It is very significant that if individuals could secure gold metal or coin from the U. S. Treasury in exchange for currency or bonds, a major proportion of the U. S. hoard would pass into the hands of individuals within a year.

### Needed in Emergency

Why do governments decline to let individuals have gold? Governments recognize the fact that they must have gold to facilitate trade, stabilize the external value of their currencies and establish external buying power in an emergency such as war.

The U. S. has become the world's greatest creditor nation. Its tariff and trade laws have been such that trade and service balances owing to them have had to be settled in gold because no other medium was acceptable. In addition, when gold was marked up from $20.67 to $35 per ounce, the U. S. became the only nation capable of buying the quantity offered, especially in early 1937, when a fear of price reduction caused private holders to sell in great quantity. It was made to appear at the time that the rather remarkable rise in commodity prices was more or less the result of the raised and pegged gold price.

### Panic Engineered?

Some observers believe that fear of a fall in the price of gold was created in order to induce gold holders to sell so that when the next mark up in price value comes in the gold price, as it eventually will, national treasuries holding the gold will benefit rather than the individual holder. At any rate, individual holders were induced to, or frightened into, selling some $3,000 millions of gold to governments out of the $4,000 millions they then held.

The necessity of government ownership of gold is presently exemplified by Germany's confiscation of the gold formerly held by Austria, Czecho-Slovakia and Poland. It is also indicated by legislation making it illegal for individuals to own gold in Canada or the U. S. A.

Governments cannot afford to repudiate debts. If the debts of governments exceed capacity to secure income by taxation, eventually they must repudiate or deflate such debts.

History would indicate that they have adopted in the past, and probably will again, inflation of gold value or deflation of debt value as a means of settlement.

But, it may be asked: "If the U. S. hoards all the gold, cannot the world resort to barter and economists create a new substitute for gold?"

### Barter Clumsy

I doubt it very much. Having some knowledge of business by barter in northern Canada 50 years ago, it is not easy to imagine the high-powered, high-geared, international business system of today going back to the conditions existing before the present-day high-speed communication, transportation and business on the recent gold basis. To international business gold is unquestionably the most satisfactory medium.

In case of war it may be permissible to intern foreign balances, but in peacetimes it does not appear acceptable and might lead to a serious decline in business. In the case of barter the trades would have to be even in value, which presents many difficulties, or else balances would exist.

The world is in a quagmire of debt. Nations do not usually acknowledge bankruptcy and seldom find compromise acceptable.

### Shave the Coinage

Therefore the practice has been to "shave the coinage" or raise the price of gold and lower automatically the price of currency; or perhaps issue so much currency that it becomes worthless, and then start over with a new currency, again on a gold basis.

Though one cannot secure gold metal, one can become the owner of shares, issued under government authority, in gold-producing companies.

Producing gold mines in Canada have but one legal market for their product, the Government.

Such facts refute the probability, let alone possibility, of gold being relegated to the position of an ordinary commodity, the value of which will be regulated by supply and demand.

The final conclusion must be that gold is still and will continue to be the most desirable, exchangeable and constantly valuable possession. It is not a revenue-producing asset, but its value has not diminished over a period of a century and promises to remain constant or become greater. The possession of producing gold mine shares therefore must be exceedingly desirable if chosen with regard to profit of operation, ore reserves and expansion policy.

The necessity of governments to have an ample supply of gold to service their external debts is the very essence of assurance that gold will always be desirable by them and that gold mining will remain an essential industry.

From any angle the gold shares seem safe. They are at relatively low prices, giving high yields. Their dividend records compare most favorably with other types of common stocks. If any type of currency inflation or debt deflation is undertaken, they stand alone in respect to future value and purchasing power, because they would appreciate in value with the appreciation in gold price value and, though likely to be more heavily taxed, would maintain their advantageous ratio in purchasing power, through increased income from the profits of sale of their product at its higher price.

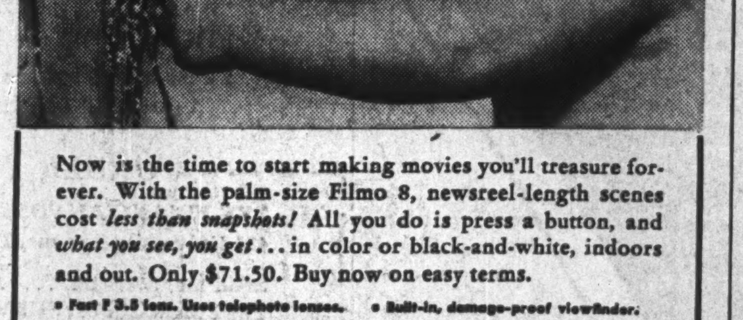
# Asks Restoration Of Creditors Act

From Our Own Correspondent

WINNIPEG. — The Bracken Government is under increasing pressure from its rural supporters for a greater measure of debt protection, and it has made representations to the Dominion Government for restoration of the Farmers' Creditors Arrangement Act in this province.

Manitoba has been left in a vulnerable spot in regard to debt adjustment as a result of the outbreak of war. The Bracken Government early this year agreed to removal of the province from the operations of the F. C. A. A. in return for the Central Mortgage Bank scheme of re-writing mortgages. At the same time it agreed to withhold its land court scheme, which required federal validation in any case.

The F. C. A. A. ceased to be effective in Manitoba on June 30, although it still operates in Saskatchewan and Alberta. Legislature was prepared to meet and grant all necessary authorization for the operation of the Central Mortgage Bank in this province, as soon as the Dominion Government launched the bank.



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YOU have a sterling character . . . but how many people know it? How many of your prospective customers think of your firm as having a definite personality, a personality which sets it apart from all competitors?

Radio advertising, properly handled, is unexcelled as a reputation-maker, a personality-builder. It enters the homes of the people you wish to reach, brings them a personal message, entertains and informs them in a manner which becomes permanently identified with you, makes of you a friend to be recognized and remembered.

This is radio *properly handled*. Handled by men experienced in the entire field of radio . . . men who have made extensive studies of station, coverages, merits of different types of programmes . . . men who have been entrusted with exclusive representation of leading stations from coast to coast . . . "All-Canada" men. "All-Canada" was organized to develop the effective use of radio advertising and this service is available through any recognized advertising agency. When your agency recommends "All-Canada" stations, you may feel sure of satisfactory results.

ALL-CANADA
**ALL-CANADA RADIO FACILITIES** *Limited*
MONTREAL TORONTO WINNIPEG CALGARY VANCOUVER
*Exclusive Representatives of Leading Stations from Coast to Coast*

# W. D. Beath & Son Ltd. Expects Higher 1939 Net

Earnings of W. D. Beath & Son Ltd. for the first 10 months of 1939 were slightly ahead of the corresponding period of 1938. As a result it is expected that the full year will show result rather better than 1938 when a net loss of $8,902 was reported.

### MORE BELL STOCK

From Our Own Correspondent

MONTREAL.—Bell Telephone of Canada has authorized the Montreal Trust Co. to register 601 additional shares of its capital stock.

INCOMES FOR SALE
For you or your Family-

**What a relief it would be** if you could settle the eternal question of the pay-envelope—once and for all! Just to *know* that, when you no longer *wanted* to work, your pay-cheque would keep on coming, every month. Just to *know* that, should anything happen to you, that same pay-cheque would still be on the job, looking after HER—what a lift that would give *any* man!

Impossible? Not at all! Incomes for *tomorrow* are for sale *today*, and are within your means, too! What kind of an income do you want?

**For YOURSELF**

By means of a Mutual Life Income Policy, to pay for which you set aside regular portions of your income *now*, you can accumulate a sound investment and share in the earnings of the Company as a policyholder. At the age *you* decide upon (usually between 55 and 65), you can begin receiving a *guaranteed* monthly income *for life*. Perhaps you think this is more than you can pay for. Then you have a pleasant surprise in store if you will talk it over with a Mutual Life Representative.

**For YOUR FAMILY**

If anything happens to you, your monthly cheque keeps on coming in—to your wife. You can arrange for her to have a lump sum payment to cover immediate needs, an adequate income while the children are growing up, and then a continuing income for herself.

Any Mutual Life Representative will gladly show you how modern life insurance will do a modern job, for YOU. There are many Mutual Life plans—all of them sure, sound and profitable—for the protection of families like yours. And, for over 70 years the Mutual Life has been owned by its policyholders, who alone have shared the Company's surplus earnings.

**MUTUAL LIFE OF CANADA**
*Established 1869*
HEAD OFFICE - WATERLOO, ONT.

THE MUTUAL LIFE OF CANADA,
WATERLOO, ONT.
I am interested in discussing Income Policies with one of your representatives.
Name
Address
Age Occupation